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Military Equipment Reportedly Moved Beyond Urals

PM1001121591 Moscow SOVETSKAYA ROSSIYA in Russian 9 Jan 91 First Edition p 5

[Unattributed interview under "For and Against" rubric with Candidate of Juridical Sciences V. Shkoda and Candidate of Economic Sciences V. Litov; date and place not given; first two paragraphs are introduction: "Will the Paris Treaty Strengthen Our Security"]

[Text] In response to numerous requests from readers we are starting a new rubric, under which academics, experts, politicians, and public figures will express their views, sometimes at variance with the official view, on upcoming major events in the country's life. Foreign experience shows that by increasing public interest and stimulating constructive polemics, this form of comparison of different opinions has a beneficial effect on the adoption of correct decisions that take into account all aspects and "pitfalls" of the problems under consideration.

Today's topic is the USSR Supreme Soviet's upcoming discussion and ratification of the Treaty on Conventional Forces in Europe concluded late last year in Paris. International affairs experts Candidate of Juridical Sciences V. Shkoda and Candidate of Economic Sciences V. Litov offer their views on the document.

[SOVETSKAYA ROSSIYA] Statements by many politicians and commentaries by journalists describe the treaty as an unprecedented and even momentous event whose implementation will effectively rule out the possibility of a surprise attack or large-scale military operations in Europe. It is also claimed that the military functions of the two alliances—NATO and the Warsaw Pact—will lose their significance, and the strategic doctrines that have held sway for 40 years will cease to have any meaning. Do you accept this view?

[Shkoda] Absolutely. The envisaged exchange of military information and the all-pervading verification will "illuminate" military activity so much that it will be practically impossible to circumvent the treaty or secretly prepare for aggression. In terms of its content and ideological direction, the treaty is essentially a multilateral nonaggression pact. When you consider the sharp reduction in the offensive potential of all sides, it becomes clear that there has been a radical change in the situation in favor of a final abandonment of military confrontation. The only thing I cannot accept is the thesis that strategic doctrines have lost their significance. Alas, since the Paris summit the NATO bloc leaders have confirmed their adherence to the patently obsolete concept of "deterrence" and reliance on a combination of nuclear and conventional forces in Europe. At the end of December the North Atlantic countries' state and government heads advocated a "strong and dynamic NATO" and stressed that the main threat still comes from the East, to be precise, from the "unstable" situation there. But one should not expect too much of them: It is difficult to abandon obsolete dogmas straightaway, at a stroke. Let us be patient and keep cool.

[Litov] You see, the West is approaching the disarmament process and the changing of strategic doctrines gradually and cautiously, pondering each step and chewing it over. We, however, are sometimes hasty, we rush into it, getting carried away by the idea of the "momentous" and "unprecedented"; then, when we have blundered, we start to lament: What have we done? The same could happen now: According to the treaty, we are supposed to effect much greater arms reductions than the NATO countries—19,000 units, compared with only 375 for the United States... Obviously, the U.S. Army's main force is much farther from Europe, nonetheless a more than fortyfold (!!!) disproportion in its favor is more like unilateral disarmament than mutually binding accords. And what does it mean: "a surprise attack is ruled out"? So one that is planned and announced is quite acceptable? Furthermore, once all the intended cuts have been made, the two sides will each have 20,000 tanks, 30,000 armored combat vehicles, 20,000 artillery pieces, and so on. More than enough for major combat actions, if, God forbid, they begin. Yes, the treaty is a major event, but I would not agree with the superlatives and unalloyed praise expressed both in the question and in my opponent's answer.

[SOVETSKAYA ROSSIYA] But that is the general tone of the commentaries. It is believed that the treaty does not infringe upon anyone's interests, that it guarantees equal security for all the sides.

[Shkoda] Generally, speaking, I agree with this. But I have some reservations. In any major venture, if one wants to succeed, it is essential sometimes to take a risk, a justified one, of course. Our diplomats have done that. The thing is that the Warsaw Pact has always had more ground forces than the West and NATO has always had a bigger naval force than us. But since the one balanced out the other there was approximate equality. However, in Paris we agreed to defer the issue of reducing naval forces on the understanding that the West, chiefly the United States, would embark on such a reduction in the future. Furthermore, although our country, in view of its size and its position in the world, has been given the highest national ceilings—33.3 percent for tanks, 34.3 percent for artillery, and so on, the balance of forces has effectively changed in NATO's favor, since the Warsaw Pact has broken up and some of its former members have even stated their wish to join the North Atlantic bloc. As a result NATO will now have an advantage over the Soviet Union of 1.5:1 in terms of tanks and armored combat vehicles, 1.3-1.5:1 in terms of artillery, and 1.3:1 in terms of combat and attack helicopters. From the traditional, quantitative viewpoint equal security no longer exists: The situation has changed sharply in the West's favor. But, in the first place, we still have quite enough forces and means for effective defensive actions, and, second and most important, the situation must be viewed in the light of the new realities of growing collaboration and mutual trust on the continent.

I would also challenge my colleague on the question of our unilateral concessions. Our diplomats also had considerable success. For instance, the military potential of united Germany has been halved and and the treaty includes combat aircraft and light tanks, which the United States and NATO also objected to. There were other concessions on their part. Although, I repeat, one cannot deny that there was a degree of risk on our part. But this is better than the ingrained simplistic and dogmatic approach of diplomacy in the Brezhnev era, which often simply marked time.

[Litov] The SALT I and SALT II Treaties, the dozens of Soviet-American accords, and the Helsinki agreements—is that what you call "marking time"? We believe that we flatter ourselves by vilifying our predecessors. In fact, it is ourselves we harm by engaging in self-deception and ignoring the bitter lessons of the past. You will recall that there was a new bout of cold war, a new round of the arms race after Helsinki. Even now the situation could change. My opponent admitted himself that for all the mutual concessions in the Paris treaty, it marked a clear departure from the principle of equal security which, at the very least, had sustained peace in Europe, and indeed throughout the world, for several decades. But will it remain in conditions where the West, or, rather, the United States, has an overwhelming advantage and, of course, is really tempted to use it for selfish political purposes? Unlike us, the United States does not hesitate to use military force if it considers it necessary, and not once has it expressed any regrets in Congress or in the government. Grenada, Panama, Iraq too—these are the recent examples; how many have there been since the war! And I am not exaggerating at all when I talk about an overwhelming advantage. It is no secret that the West has superiority in terms of many qualitative components of modern armaments, and, therefore, our quantitative advantage largely offsets the qualitative advantage. One NATO tank crew of professional soldiers is equivalent to two or three of our "amateur" crews. So simple arithmetic is totally inapplicable here. Particularly in conditions where nuclear weapons are being modernized and new and even more terrible types of mass destruction weapons are being created, which, unfortunately, is something the West will not stop doing. But there is more to it even than this. The Warsaw Pact has practically ceased to exist, yet the Paris document follows the old practice and talks in terms of confrontation between two blocs. Why, one wonders, should one deceive oneself, particularly in such an important matter as the country's security? Poland, Hungary, Czechoslovakia, and even Bulgaria have started training their officers in the United States, Britain, and other Western countries. The army of the former GDR has simply become part of NATO, together with our weapons, incidentally! The Paris agreements do indeed give us the highest national ceiling—33 percent. But against whom is the remaining 67 percent directed?

[Shkoda] As a lawyer I am bound to agree that the enshrinement in the Paris Treaty of a NATO-Warsaw Pact approach which effectively no longer exists does in many respects devalue the document. For all my respect for the Foreign Ministry leaders, I am forced to admit that they have clearly been hasty to some extent. We have become accustomed to timing everything to coincide with significant dates and important visits, something, incidentally, which no experienced diplomatic service in the world will allow itself. But in general the treaty is necessary, and it is possible to get out of this situation, which, to be frank, is no adornment to our diplomacy, by say, making reservations during ratification or by an appropriate statement by the Supreme Soviet. This is common in the practice of foreign parliaments. On the whole, however, the treaty does make it possible to bring the European process into line with modern realities and provide it with qualitatively new impetus and incentives. As far as miscalculations are concerned, I would not blame the Foreign Ministry for everything. Talks, as is well known, are conducted with the knowledge and participation of the military. They could after all have stood up for our security interests more energetically and not fawned upon the top political leadership, rather than noisily sounding the alarm in the Supreme Soviet and at the Congress of People's Deputies when the boat had already left...

[Litov] Let us not be naive. Ultimately the timetable and specific terms of international agreements are determined by the Foreign Ministry on the basis of directives from the political leadership. But the directives have to be implemented intelligently. Without making a sensational, ostentatious fuss or displaying personal ambition, which only impede matters. I am talking about the specific terms and timetables here and also have no doubt that the treaty is essential, the problem is its specific implementation, which does, to be frank, leave something to be desired. And the military at the talks, as far as I can judge, perform merely consultative functions and their stances are sometimes disregarded, particularly in conditions of openly cultivated contempt for the Army. The military can come out against the adopted decisions only by going into opposition to the government. In practical terms this means resigning in protest, which in our country, as opposed to the United States, is not done. Sometimes that is the only way that attention can be drawn to the impairment of national security. And it is left to Colonels Alksnis and Petrushenko to protest, but now in the role of people's deputies in the Supreme Soviet. So irony at the belated fuss in parliament is misplaced, in my opinion.

[SOVETSKAYA ROSSIYA] You have touched on an interesting subject. Regarding this I would like to hear your assessment of the reports in our central press claiming that during the talks in Vienna, where all the work on the treaty was done, our military men substantially understated the number of tanks and armored transports, undermining our Western partners' confidence in our information, which—as KOMSOMOLSKAYA PRAVDA (3 January) put it—was the "last straw for our foreign minister."

[Litov] You have confused cause and effect. Judge for yourself. In early 1989 we had 41,000 tanks in Europe, and under the Paris Treaty there are to be just 13,000 left in three years' time. This sharp cutback—which is probably unprecedented in history and is naturally very painful if not catastrophic for the Armed Forces—was brought about by the Foreign Ministry's desire to draw up a treaty ready for signing as quickly as possible and preferably before the Paris meeting. When things are being rushed to such an extent, many consequences are overlooked or not taken into account, which results in colossal losses and enormous problems for servicemen, as well as suffering for tens of thousands of people. It was not enough that the planned treaty dealt an extremely hard blow to our tank troops—the basis of the Ground Forces' strike power—it was planned to further eliminate a huge amount of military hardware with correspondingly huge costs, which our economy simply could not bear. So the military, in an effort to rectify, if only slightly, the mistakes made by diplomats, organized the swift transfer beyond the Urals of thousands of tanks, guns, and other equipment—at least there it would not have to be destroyed. It is unfortunate, of course, that all this coincided with a record harvest, occupying badly needed rail cars and making the job of transport more difficult. But who was to blame for that? First and foremost the Foreign Ministry, which was rushing full steam ahead toward a treaty. Nothing terrible would have happened if its signing had been postponed by 18 months or two years so as to allow the necessary preparations for the arms cuts. Sometimes it is useful to stop, think, and look ahead, assessing the long-term consequences of decisions.

[Shkoda] I would not be so categorical in my assessment. Of course, greater glasnost and openness should have been ensured at the talks; our partners' confidence is an important thing. But the Americans were well aware of our transfers and did not particularly protest. The desire for cheap sensations, to which we have become susceptible, probably played its part here. I cannot agree with my opponent's allegation regarding the timetable. The Vienna talks had lasted more than 14 years. Eventually it was going to be necessary to get down to concrete decisions. And politically the time was exceptionally opportune—if things had been delayed another few years there is no knowing what might have happened. Although I must admit that our Foreign Ministry is still far from embracing real openness and glasnost. At the Fourth Congress of People's Deputies, for instance, E.A. Shevardnadze accused the chairman of the USSR Supreme Soviet of unexpectedly and deliberately organizing a discussion of the question of German unification at the Supreme Soviet session. In actual fact this question had arisen for quite different reasons—I was present at its discussion and therefore I can say this with complete authority. The Supreme Soviet members were indignant, and rightly so, about the fact that the Treaty on Friendship and Cooperation with the former GDR was submitted to them for annulment just a few hours before the two Germanys united. Yet the date for unification had been known at least a few months before. This, unfortunately, is by no means an isolated example of a certain arrogance and lack of respect toward people's deputies.

[SOVETSKAYA ROSSIYA] Looking at the treaty, we cannot ignore the impact the arms cuts could have on our economy...

[Shkoda] Yes, we have gained an opportunity to use considerable material and intellectual resources for the public good. And the hardware to be reduced is no hindrance. Thus, under the treaty we gained the right to convert 750 tanks and 3,000 armored vehicles for national economic purposes. Moreover, in the Asian part of the country several thousand tanks and armored vehicles will be scrapped and turned into auxiliary technical systems—tractor units, fire engines, and simulators. Although all this will, naturally, involve difficulties.

[Litov] Indeed, we cannot deny that there will be a certain economic effect from the conversion of military hardware. But on the whole we will find that there are far more "minuses" than "pluses." For instance, it is planned to destroy 7,000 tanks, 9,000 armored vehicles, and so forth. This will require considerable expenditures. As for the potential benefits of conversion from military production, my opponent is following the Foreign Ministry example in this area by getting euphoric. According to U.S. figures, conversion will generally be a loss-maker for the first 5-10 years. Many, many billions will have to be invested in it before the desired returns are achieved. It is no accident that the United States is cutting military production with such reluctance. And where it is embarking on such cuts it is doing so at a slow pace, without permitting sharp slumps. "We are not so rich," a U.S. specialist told me, "that we can afford to disarm at a hasty rate."

[SOVETSKAYA ROSSIYA] And in conclusion. What would you recommend to the members of the USSR Supreme Soviet who are starting to discuss the treaty?

[Litov] To show character and refuse to ratify a treaty which clearly infringes our security and is economically misguided. To instruct the Foreign Ministry to start talks on reviewing a number of the treaty's provisions—which is something that does happen in international practice. It is high time to give priority to national rather than "global" interests, as all civilized countries do. Naturally, there will be great dissatisfaction, but we can get over it. You'll see, we will be respected more and taken account of more too. After all, even with the sharp drop in our international prestige, we are still a great power. When the U.S. Congress considered that the SALT II Treaty was not advantageous for the country, it refused to ratify it without worrying in the slightest about what Moscow, Beijing, or other capitals would say... Now, in my opinion, we need to think more and consider everything scrupulously. Let future generations judge just how "epoch-making" and "historic" our foreign policy achievements are.

[Shkoda] While sharing my colleague's emotions, I would advise people's deputies to be guided above all by reason and an understanding of prevailing realities. A refusal to ratify the Paris Treaty would delay perestroyka processes not only in Europe but worldwide and would make our relations with the Western powers much worse. You will agree that under the present circumstances this could have unpleasant consequences, not least economic... Of course, our diplomats should draw conclusions and take a more sober attitude to their activity. But, on the whole, the Paris

Treaty is in line with our national interests and does not infringe the country's security. At the same time, as I have already said, ratification should be accompanied by a number of statements taking account of the recent changes in the situation in Europe. We need to go forward rather than backward on the basis that our potential enemies have gained an advantage. Are they our enemies? The acceleration of the transition to cooperation and partnership relations is not wishful thinking but a real fact that has to be taken into account.

Troop Transfers to Leningrad Said 'Insignificant'

PM0901110391 Moscow KRASNAYA ZVEZDA in Russian 8 Jan 91 First Edition p 3

[Article by Colonel General G. Burutin: "Groundless Fears; Problems of Strengthening Security in the North of the European Continent"]

[Text] The signing of the historically unparalleled Treaty on Conventional Armed Forces in Europe and also the adoption of the joint declaration by the 22 states reflected the desire of the world community to build a secure, demilitarized world. The new political thinking, whose initiator is universally recognized to be the Soviet Union, is starting to materialize in a very important sphere of interstate relations—the military sphere.

At the same time the fact remains that the rapid changes in the political life of the European continent are not at once being reflected in a corresponding understanding of the new military-strategic situation. There is still the great inertia of the thinking which absorbed the long-standing burden of mistrust and confrontation. Not only ordinary citizens but also responsible statesmen in a number of countries are sometimes proving slow to realize that total suspiciousness and military confrontation are being replaced by the principles of good-neighborliness and cooperation.

Take, for example, the fears voiced not so rarely in the Scandinavian countries' mass media that the Soviet troops being withdrawn from East European states could be use to significantly increase the Armed Forces grouping in the northwest region.

What can be said in this regard?

For a long time Northern Europe has been the region with the least danger of conflict along the line of East-West contact. This has been promoted by the USSR's traditional friendly relations with neighboring countries, the stability of their foreign policy, and the rejection of the production, acquisition, and stationing on their territory of nuclear weapons. There are no special problems in our relations from the viewpoint of security. Nor are there conditions for the emergence of acute crisis situations, still less military conflicts. The defensive military doctrine adopted in the Soviet Union is the guarantee that this situation will be preserved. It is being fulfilled punctiliously and consistently, particularly by means of significant reductions in the Armed Forces, including unilateral reductions, and the withdrawal of all Soviet troops from the territory of other countries.

Since 1986 the process of a unilateral troop reduction has also been taking place in Leningrad Military District, which constitutes the northern flank of our defense. At the same time the district's combined units are being transferred to a new mode of organization with a smaller number of tanks and other types of offensive weapons. Cuts have also been made in the Air Defense Forces, the Baltic Fleet, and units under central command stationed on the district's territory (in all, more than 20,000 men). As a result, the number of tanks in the district has fallen by 700, and the strength of the USSR Ground Forces stationed along the Soviet-Finnish border from Vyborg to Murmansk does not at present exceed the strength of Finland's ground forces.

It should be pointed out that alert duty is not performed in Leningrad Military District tactical missile units, and nuclear ammunition has been removed from them and taken to places of storage located a considerable distance from stationing points and the state border with Finland and Norway. As for chemical weapons, they have never been sited on the territory of Leningrad Military District.

In 1990 the last four "Golf" class submarines with combat supplies of nuclear missiles were withdrawn from the effective combat strength of the Baltic Fleet.

On the whole, practical measures to reduce the groupings and to impart a defensive thrust to them will lead to a further reduction in the strength of troops (forces) and a diminution of military activeness on the territory of Leningrad Military District.

The stationing in the district of an insignificant proportion of the troops being withdrawn from East Europe will not alter the existing correlation of forces in the region either. In this connection it should be emphasized that the Soviet Union undoubtedly has every right to station the Armed Forces within the bounds of its own territory wherever this strikes it as expedient. On condition, of course, that its adopted international commitments are strictly observed.

In determining new locations for troops being withdrawn from East European countries, the USSR Armed Forces leadership was obliged to take into account not only their operational purpose but also the possibility of stationing them using the available free funds. And Leningrad Military District is no exception, including the Kola Peninsula—with due regard, of course, for the restrictions on arms for this specific flank region imposed by the corresponding provisions of the Treaty on Conventional Armed Forces in Europe.

Here it is evidently appropriate to remind you once again that the Soviet Union has repeatedly advanced proposals for reducing military activeness and limiting the scale of military activities by naval and air forces in the north of Europe.

Back in 1987, for example, while in Murmansk, M.S. Gorbachev proposed starting consultations on limiting military rivalry in the Baltic, North, Norwegian, and Greenland Seas and also extending confidence-building measures to them. It was proposed to reach an accord on limiting rivalry in antisubmarine weapons, notifying major exercises by naval and air forces, and inviting to them observers from all the states involved in the European process. Together with these measures it would be possible to examine the question of prohibiting naval activity in mutually agreed zones of international straits and, in general, on intensive shipping routes. However, none of these proposals has yet been adopted. They essentially have not even begun to be examined. It can be concluded from this that there is still much crucial work ahead to ensure that the disarmament process which is starting with the conclusion of the Treaty on Conventional Armed Forces in Europe acquires an irreversible nature.

The era of confrontation ended with the signing of the Paris Charter for a New Europe. The participant states declared that they are fully resolved to expand cooperation, strengthen trust and friendly relations, and refrain from the use or threat of force against the territorial integrity or political independence of any state and from any other actions incompatible with the principles and aims of the documents adopted in Paris.

The Soviet Union intends to follow this course firmly in relations with all countries, including Scandinavian countries, and will welcome reciprocal steps on their part.

Tactical Use of Nuclear Weapons Criticized

LD1001180591 Moscow TASS in English 1719 GMT 10 Jan 91

[By TASS military writer Vladimir Chernyshev]

[Text] Moscow January 10 TASS—U.S. President George Bush has decided not to use nuclear weapons to destroy Iraqi targets even if Iraq makes use of toxic gases or bactereological weapons, U.S. mass media reports.

Why did the question come up? NEWSWEEK magazine has learnt that General Norman Schwarzkopf, commander of U.S. troops in the Gulf, asked his leadership for permission to set off a nuclear device at high altitude over Iraqi territory at the initial stage of the conflict.

This would generate an electromagnetic pulse to render inoperative all Iraqi electronic devices. Thus, at issue was the question of a first strike with nuclear devices.

In addition, some American officers in Saudi Arabia ask why they should risk their lives in offensive operations against Iraq when a nuclear weapon could be used, THE WASHINGTON POST newspaper reports.

Undoubtedly, the American President made a wise decision. Nevertheless, the subject raised again generates apprehensions. The world public's sense of danger associated with nuclear weapons has undoubtedly been blunted in recent years with the improvement of East-West relations. Such weapons changed from a military option for use in combat to political instruments of "mutual deterrence".

But now that a serious regional conflict has erupted, some again want to consider using nuclear weapons to reassign to them the possibility of use as a war tactic besides the deterrence task.

It is applaudable that the U.S. political leadership rejected these urges at this moment. But who can guarantee that the proposal will not be accepted next time?

Besides its immediate problems, the Gulf crisis makes one ponder the further question of the earliest possible elimination of tactical nuclear weapons. The threshold of their use can appear to be uncomfortably low.

Naturally, another problem arises—that of the viability of the nuclear deterrence strategy itself. It is perfectly obvious to all parties involved in the Gulf conflict that the consequences of the possible use even of tactical nuclear weapons in the region will be tragic for all of humanity, including populations located thousands of kilometers from this region.

The explosion of one or two nuclear devices there would cause large-scale radioactive contamination of the environment. Pollution would spread to other continents, including Europe. The consequences would be far worse than the aftermath of Chernobyl.

In addition, nuclear explosions in the Gulf would touch off extensive and protracted fires at oilfields. As a result, the contamination of the atmosphere of the earth with oil combustion products would, experts believe, trigger a "nuclear winter" and eventually induce long-term climatic changes.

Can the threat of the use of nuclear weapons play any role given the general awareness of all of the aforementioned consequences? The nuclear deterrence strategy seems to not work here. It is even less effective when applied to East-West relations. It is clear that it is time to revise this game with nuclear death, so perilous to mankind.

Foreign Ministry Issues Statements on Gulf

Perez de Cuellar Mission Welcomed

LD1001151791 Moscow TASS in English 1430 GMT 10 Jan 91

[Text] Moscow January 10 TASS—Here is a statement by the Soviet Foreign Ministry circulated at a briefing here today:

A meeting between U.S. Secretary of State James Baker and Iraqi Foreign Minister Tariq 'Aziz was held in Geneva on Wednesday. According to reports, it did not produce positive results.

This meeting provokes deep regret, since world nations pinned hopes on the direct American-Iraqi dialogue to overcome the Gulf crisis on the basis of the U.N. Security Council resolution, the clearly expressed will of the international community.

Since the very outset of the Gulf crisis, the Soviet Union sought to do its utmost to avoid a large-scale armed conflict in the region and to promote a political settlement.

Steps taken recently by us include talks in Baghdad between Saddam Husayn and other Iraqi leaders and Soviet Deputy Prime Minister Igor Belousov and a group of Soviet legislators, and relevant contacts with the American side.

On January 8, the Soviet ambassador in Baghdad conveyed another message by the Soviet leadership to President Saddam Husayn in connection with the situation in the Gulf and the American-Iraqi meeting. This message was aimed at promoting an atmosphere conducive to a political settlement at the Geneva talks.

The "goodwill pause" ends on January 15. The Soviet Union is convinced that the most vigorous political and diplomatic efforts must be made to ward off a military conflict, a conflict that would have the most destructive consequences for peoples living there, above all the Iraqi people.

We welcome the mission with which U.N. Secretary-General Javier Perez de Cuellar intends to visit Baghdad and call on all the sides, especially Iraq, to understand the present serious situation and display a feeling of responsibility (vitally important under the present circumstances) for the destiny of the region and peoples.

Evacuations From Iraq Viewed

PM1101162791 Moscow IZVESTIYA in Russian 12 Jan 91 Union Edition p 4

[Report by G. Charodeyev: "Concerning Our Specialists in Iraq"]

[Text] IZVESTIYA has already reported that the many months of efforts to evacuate Soviet citizens from Iraq have been successfully completed. Since the beginning of the crisis in the Persian Gulf zone, around 8,500 people have been brought from Iraq and also from Kuwait to the Soviet Union. The USSR Foreign Ministry made the following comment on this event:

"The organized and planned evacuation of Soviet citizens was the result of energetic and persistent efforts by our country's leadership. The interdepartmental working group headed by I. Belousov, deputy chairman of the USSR Council of Ministers, created in August 1990 on the USSR President's instructions has done much day to day work in this respect. This group, which included representatives of the USSR Foreign Ministry and other ministries and departments, promptly resolved a broad range of questions including planning the best exit routes, supplying transport and food, and so forth.

The complications that gradually emerged regarding our people's departure from Iraq were successfully resolved during numerous contacts with the Iraqi leadership at various levels. We should note that in the final stage of the evacuation the Iraqi authorities showed due understanding of our concern for the safety of the Soviet specialists who were working at cooperation projects, and they were given an opportunity to leave for home quickly within a tight deadline."

[Charodeyev] "Did the Soviet leadership officially advise those of our specialists wishing to remain in Iraq that they should leave the country without delay?"

"We saw our task," the USSR Foreign Ministry spokesman stressed, "as explaining to our citizens that for the sake of their safety it would be better for them to leave Iraq and return home. It is known that 150 people have decided to stay whatever the consequences. They have made appropriate written statements to that effect.

"We are examining the mothballing of all the facilities as a temporary measure based on the expectation that the conflict will be settled by peaceful means and we will be able to continue working on those projects which have been halted.

"No one has the right to order Soviet citizens to move from one place to another. We can only express our wish. Ultimately people may decide to take up permanent residence in Iraq. That is their right. We have not set ourselves the task of forcing anyone to leave Iraq."

Foreign Ministry's Churkin Briefs Media 10 Jan

Addresses Questions on Gulf

LD1001173791 Moscow TASS International Service in Russian 1606 GMT 10 Jan 91

[By TASS diplomatic correspondents Aleksandr Kanishchev and Leonid Timofeyev]

[Text] Moscow, 10 Jan (TASS)—A briefing by Vitaliy Churkin, chief of the Information Directorate of the USSR Foreign Ministry, which was held here today, was in the main devoted to aspects of a settlement of the crisis in the Persian Gulf. Vitaliy Churkin read a USSR Foreign Ministry statement on this problem, and also reported on a telephone conversation that took place yesterday between USSR Foreign Minister Eduard Shevardnadze and U.S. Secretary of State James Baker, who informed his Soviet colleague about the results of his talks with Iraqi Foreign Minister Tariq 'Aziz.

Answering questions, the USSR Foreign Ministry spokesman stated that the USSR "is not giving up hope that it may still be possible to achieve a peaceful way out of the crisis." "We shall work actively in this direction, that is to continue to maintain contacts at all levels and with all sides, including the Iraqi leadership," he pointed out. "Further specific steps are being worked out, in particular at a session of the collegium of the USSR Foreign Ministry which is being held today when a report by Aleksandr Belonogov, deputy USSR minister of foreign affairs, on the subject of possible future actions on our part will be heard. The Soviet side, like the American side, is above all ready to support the forthcoming mission—the UN secretary general's trip to Baghdad."

Answering the question of whether or not the USSR supports use of force if Iraq cannot be persuaded to pull its troops out of Kuwait by 15 January, Vitaliy Churkin said: "We are guided by the UN Security Council's decisions, naturally, by Resolution 678 of the Security Council adopted on 19 November in all its provisions, including the one which mentions the possibility of using all necessary means in case if, after 'the goodwill pause' expires on 15 January, Iraq fails to withdraw its troops from Kuwait."

Touching on the oral message from the "Soviet leadership" to the President of Iraq, conveyed by the Soviet ambassador in Baghdad on 8 January, Vitaliy Churkin said that the Soviet side still has not received "a written reply" to it.

Speaking about the reduction of the personnel of Soviet establishments in the Persian Gulf area, including in the embassy in Baghdad, he did not rule out that in the coming days "new decisions aimed at ensuring the security of Soviet citizens could be adopted." "This situation is permanently under control," Vitaliy Churkin stated. "The Soviet leadership and the USSR Ministry of Foreign Affairs are paying primary attention to the issues of Soviet citizens' security."

Speaking on Moscow's attitude to Iraq's attempt to link a solution to the Persian Gulf crisis with the Arab-Israeli conflict, Vitaliy Churkin said: "There is no link, but the fact that there is no link does not mean that we should not do what we used to do before the crisis emerged. Before that we used to vigorously promote a settlement to the Near East conflict. We think now, too, that we should not relax efforts in this direction. The Near East problem remains and should be dealt with on an everyday basis. Although, I repeat, we reject any linkage between the two problems."

Then, answering journalists' questions on Soviet-American relations, Vitaliy Churkin declared that between the U.S. Administration and the Soviet leadership "there is a firm accord on the summit meeting fixed for 11 to 13 February." "The USSR Ministry of Foreign Affairs is proceeding from this and continuing to work on preparation for the meeting, which, we are sure, will be concluded with important, impressive and weighty accords," he stressed. Describing Soviet-American relations as a whole, Vitaliy Churkin stated that "now they are at a very good point." "Moreover," he noted, "these relations continue to improve on the threshold of the Soviet-American summit. A considerable number of agreements are being prepared for conclusion. Without doubt the key one will be the treaty on strategic nuclear weapons which, we are convinced, can be prepared by 11 February of this year. Clear corroboration of the good, healthy state of Soviet-American relations is provided by continuing close contacts, such as yesterday's telephone conversation between Eduard Shevardnadze and James Baker. They are being maintained at various levels between the USSR and the United States on such an acute and difficult problem as the Persian Gulf crisis as well."

In reply to a question on whether Eduard Shevardnadze's resignation was discussed during the telephone conversation, Vitaliy Churkin stated: "I do not exclude that in the course of this conversation some other questions could have been touched upon, but not the question of his resignation. It was discussed during previous contacts between Baker and Shevardnadze."

Talking further on the foreign reaction to yesterday's statement by the Ministry of Foreign Economic Relations of the USSR regarding the detainment in the waters of the Red Sea of the Soviet mercantile vessel "Dmitriy Furmanov" with a cargo of spare military equipment destined for Jordan, the diplomat noted that the USSR Ministry of Foreign Affairs "did not participate in its preparation." At the same time he expressed the opinion that the given statement "is an analysis of a totally specific case which cannot be considered extraordinary, because over the months of the crisis in waters close to the Persian Gulf more than 700 vessels have been detained and inspected. Among them, problems also cropped up with Soviet vessels. These problems were resolved to the parties' satisfaction. We proceed from the premise that this time also all the problems will be settled."

Commenting on Washington's reaction to the sending to Lithuania of a military subunit to provide assistance to the military commissariats in the call-up of recruits to the USSR Armed Forces, Vitaliy Churkin expressed the opinion that certain "hasty statements" abroad "do not help the matter, but, on the contrary, may cause misunderstanding and inflame the situation." "At the same time," he continued, "when the Soviet leadership is taking measures to ensure stability in the USSR, the attitude of other countries to what is happening here should be particularly considered, balanced, and weighed-up. Any escalation of rhetoric may lead to undesirable consequences."

Notes Filev-'Arafat Talks

LD1001153691 Moscow TASS in English 1504 GMT 10 Jan 91

[By TASS diplomatic correspondents Aleksandr Kanishchev and Leonid Timofeyev]

[Text] Moscow January 10 TASS—Anatoliy Filev, first deputy of the Middle East and North Africa Department of the Soviet Foreign Ministry, met with Palestine Liberation Organisation Chairman Yasir 'Arafat in Tunis today. The meeting focused on the situation in the Gulf, Soviet Foreign Ministry Spokesman Vitaliy Churkin told a briefing here.

In view of the dangerous developments in the Gulf, the spokesman continued, much attention was given to the most vigorous efforts by the entire international community to settle the Kuwait crisis.

During the meeting, Filev emphasised "the great importance of opportunities, available to Palestinians, to influence positively the position of the Iraqi leadership".

Says No Grounds To Extend Deadline

PM1101105591 Moscow TRUD in Russian 11 Jan 91 p 3

[Report by diplomatic observer A. Repin: "USSR's Position Immutable"]

[Excerpts] [passage omitted] I will cite some important information received from V. Churkin, chief of the USSR Foreign Ministry Information Administration. [passage omitted]

There are no grounds for extending the deadline for the Iraqi troop withdrawal from Kuwait;

No need to convene a new Security Council session is seen: The resolutions have been adopted and must be fulfilled.

Thanks Sweden for Pilots' Rescue

LD1001175791 Moscow TASS in English 1629 GMT 10 Jan 91

[By TASS diplomatic correspondents Aleksandr Kanishchev and Leonid Timofeyev]

[Text] Moscow January 10 TASS—Gratitude to Swedish Air Force pilots, officials and the leadership of the Swedish Defence Ministry involved in the rescue of the crew of the Soviet Air Force Su-24 aircraft, which crashed into the Baltic Sea off Gotland Island on January 8, was expressed by Soviet Foreign Ministry Spokesman Vitaliy Churkin at a briefing here today.

Swedish Defense Minister Roine Carlsson met the rescued Soviet pilots when they arrived in Stockholm, Churkin said. The minister stressed the practical importance of an agreement on rescue operations in the Baltic signed by the USSR and Sweden in 1989.

Carlsson expressed confidence that the rescue of the Soviet pilots would help to strengthen relations between the two countries, including their armed forces.

Churkin said the Soviet side fully shared this view. The Soviet Embassy in Stockholm has been instructed to express gratitude to Sweden for rescuing Soviet pilots and for hospitality shown to them.

Notes Japanese Minister's Visit

LD1001180691 Moscow TASS International Service in Russian 1431 GMT 10 Jan 91

[By TASS diplomatic correspondents Aleksandr Kanishchev and Leonid Timofeyev]

[Text] Moscow 10 Jan (TASS)—Taro Nakayama, Japan's foreign minister will pay an official visit to the USSR from 21 to 23 January, stated Vitaliy Churkin, head of the USSR Foreign Ministry Information Directorate, during a briefing held today.

The talks the Japanese minister will hold in Moscow ought to become the concluding stage in the process of preparing for President Mikhail Gorbachev's visit to Japan next April. Vitaliy Churkin confirmed that the agenda for Nakayama's visit to Moscow provides for his meeting with the head of the Soviet state.

Murder Investigation Cited

LD1001235691 Moscow TASS International Service in Russian 1601 GMT 10 Jan 91

[By TASS diplomatic correspondents Aleksandr Kanishchev and Leonid Timofeyev]

[Text] Moscow, 10 Jan—A Soviet citizen named Berman is indeed staying at the Canadian Embassy in Moscow. This information was confirmed at a briefing today by Vitaliy Churkin, head of the Information Directorate of the USSR Foreign Ministry.

He told journalists that at the end of last year the USSR Procuracy reversed a previous decision to halt criminal proceedings against Berman on a charge of murdering a serviceman at Nikolayev in the Ukraine in 1989 and ordered that the file on this case be reopened.

Consequently, the Foreign Ministry spokesman stated, Berman is under investigation. Churkin expressed confidence that the new investigation and possible trial would be carried out in full conformity with the law. "As for the presence at the Canadian Embassy of a Soviet citizen who is charged with murder," Vitaliy Churkin said, "this is a serious matter." He said that the competent Soviet organs had decided not to detain Berman after he leaves the embassy and not to take administrative measures against him when he returns to Nikolayev.

The question of Berman's emigration to Israel for permanent settlement, which he has announced as being his intention, will be decided once the results of the investigation are known. There are no objections to the emigration of his family, the diplomat stressed.

Churkin Interviewed on Baker-'Aziz Talks

LD1001163591 Moscow Domestic Service in Russian 1439 GMT 10 Jan 91

[Text] The failure of the meeting between U.S. Secretary of State James Baker and Iraqi Foreign Minister Tariq 'Aziz gives rise not only to disappointment but also to alarming thoughts. Our commentator Viktor Levin met today with Vitaliy Ivanovich Churkin, chief of the Information Directorate of the USSR Foreign Ministry, and asked him about the Foreign Ministry's assessment of the situation which is developing.

[Begin Churkin recording] In the first place, of course, there is regret that this meeting ended in failure. We did everything expected of us in order, first, to promote the organization of the meeting and, second, to promote its chances of success. Among other things, I would like to point out that on the eve of this meeting—8 January—Soviet Ambassador Posuvalyuk met President Saddam Husayn in Baghdad and handed him a message of peace from the Soviet leadership.

The second thing I would like to say is that even now, despite the failure of this U.S.-Iraqi meeting, we believe that not all possibilities have been exhausted and not all hopes have been lost for a peaceful way out of the crisis in the Persian Gulf. In particular, we support the mission of the UN secretary general. As is known, he is setting off in the next few days for Baghdad. For our part, we are also prepared to do everything to ensure that the secretary general's mission is a successful one. We shall continue to maintain contacts at all levels with all countries interested in a settlement of this conflict situation.

[Levin] Vitaliy Ivanovich, you said at the briefing that during the night James Baker spoke to Eduard Amvrosiyevich Shevardnadze on the telephone about the progress of the talks with Tariq 'Aziz. Could you disclose any details of this conversation? Most important—how do you assess this fact: Is this not yet another expression of the warm, trusting relations between the Soviet Union and the United States, to the development of which relations our foreign minister has made such a large contribution?

[Churkin] Of course, the night telephone conversation between Baker and Shevardnadze once again shows how closely our countries—the Soviet Union and the United States—are cooperating in the matter of overcoming such a tough test for the international community as the Iraqi aggression against Kuwait. You asked me about the content of this conversation: One of its important elements was the reaffirmation on the part of the two foreign ministers of the desire both of the Soviet Union and the United States to continue interaction in order at least not to allow the worst to happen in the Persian Gulf.

[Levin] Vitaliy Ivanovich, tell me, please, can we rule out the possibility that in the days left before the expiry of the goodwill pause before 15 January, a meeting might be held between Baker and Shevardnadze?

[Churkin] I do not think such a meeting will take place, if only because the question has not arisen. Such a meeting is not planned.

[Levin] My last question: Do you think that after the failure—or perhaps a stronger expression should be used—of the Baker- 'Aziz talks in Geneva, there are still any chances of a political settlement, or is war becoming virtually inevitable?

[Churkin] Such chances remain, I think, if only because it is the only reasonable way out of this situation. There is no one in the leadership of any country that has been drawn into this conflict to one degree or another who would not understand how grave the consequences of a military conflict would be. But, at the same time, we, like all the participants in the coalition who have come together following the aggression in the Persian Gulf, proceed from the fact that the gravest consequence for the world community would be to allow Iraq not to carry out the terms of the UN Security Council resolution and to enable it to use the fruits of its aggression against the defenseless neighboring country of Kuwait. As has happened more than once in history, this would inevitably lead to a situation where, as a consequence, within a certain period of time, we would all have to deal with even more serious acts against international peace, against reason, and against common sense. That is why an end must be put to aggression now. We are profoundly convinced of this. [end recording]

Churkin Details U.S. Detention of Freighter

PM1001160791 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 4

[Report by G. Charodeyev: "Soviet Military Freight Detained"]

[Text] Vitaliy Churkin, chief of the USSR Foreign Ministry Information Administration, spoke at a regular briefing for Soviet and foreign journalists. He reported that the Soviet motor ship Dmitriy Furmanov was recently detained in the Red Sea by Spanish and U.S. naval forces. The motor ship was proceeding to the Jordanian port of 'Aqaba, with properly drawn-up freight manifests addressed to the Hashemite Kingdom of Jordan for the entire freight. On board the ship were 106 tonnes of military spare parts and components for the Jordanian Armed Forces. They were being supplied by the Soviet Union in accordance with previously concluded intergovernmental agreements.

It follows from a relevant statement by the USSR Ministry of Foreign Economic Relations that the ship's administration, in compliance with the UN Security Council resolutions, allowed representatives of the U.S. and Spanish naval forces on board without hindrance and without impeding an inspection of the freight in all parts of the ship. No undeclared freight was discovered on the ship during the examination. As regards 11 boxes in an isolated place, all the necessary documents for them exist. During the inspection, however, the entire ship's company was kept in the crew mess for 10 hours, guarded by armed Spanish sailors. The inspection was carried out without the participation of the ship's administration. The freight was opened up, and at the end of the inspection the ship's captain was handed a written document prohibiting further progress to the port of 'Aqaba.

On 8 January the ship was in the Red Sea, under observation by U.S. and Spanish warships.

Akhromeyev Says War Will Not Be 'Local Conflict'

AU1001140291 Paris AFP in English 1324 GMT 10 Jan 91

[Excerpts] Moscow, Jan 10 (AFP)—Moscow is worried over the failure of the U.S.-Iraqi talks in Geneva Wednesday but still wants to work with Washington to try to resolve the Gulf crisis, the Soviet Foreign Ministry said in a statement Thursday.

The official communique also hailed the decision by U.N. Secretary-General Javier Perez de Cuellar to travel to Baghdad, and urged Iraq "to show responsibility for protecting the fate of the people of the region and of all peoples". [passage omitted]

Mr. Gorbachev's military advisor, meanwhile, said Washington and Baghdad might still have some proposals "up their sleeves" to resolve the Gulf crisis. But Marshal Sergey Akhromeyev, who was interviewed in the corridors of the Soviet parliament, warned that if war did erupt in the Gulf, "it will not be a local conflict".

"The whole Arab world will be implicated, the ground will burn under people's feet," he said. "Most Arabs support Saddam Husayn, and when a whole people are implicated in a war it is frightening...it will not be only a war on a single front, there will be conflict everywhere."

But Marshal Akhromeyev said he thought "Iraq and the United States still had some proposals up their sleeves that could help find solutions, at least intermediary ones, to the problem."

He also said Soviet troops "had nothing to do in the Persian Gulf."

Ignatenko Views U.S. Summit, Shevardnadze

PM1001120691 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 1

[Report by G. Alimov on 8 January news briefing by USSR presidential spokeman V. Ignatenko: "V. Ignatenko: 'We Hope That the Meeting Between M. Gorbachev and G. Bush Will Take Place on Schedule'"]

[Excerpts] Vitaliy Ignatenko, leader of the USSR president's press service, speaking on 8 January at the regular briefing for Soviet and foreign journalists, stated: Our country is preparing very seriously for the summit meeting. Moscow has not given and does not intend to give any indications of possible changes to the date of the visit.

Commenting on the statement by the U.S. President's press secretary Marlin Fitzwater that "there is a possibility that the trip could be postponed," Vitaliy Ignatenko said that such possibilities can always be found, but "we are proceeding from the assumption that such 'possibilities' are not originating in Moscow."

The Soviet side makes no linkage between conventional arms reduction in Europe and the conclusion of a treaty on strategic offensive arms. Journalists were informed that the Stratetic Offensive Weapons Treaty is ready and, "there remain only problems of a purely technical nature which could be eliminated very quickly."

Completing this subject, the leader of the president's press service again stressed that we do not advocate inventing reasons of any kind for postponing the American President's visit. We have given no grounds for this, he stressed.

Answering numerous questions about the use of paratroopers to back up the Soviet Army draft, Vitaliy Ignatenko said: Those conscripts who are now due to serve must be drafted. But the fulfillment of the president's decree should be carried out within peaceful, civilized bounds. The only purpose of using the paratroopers is to provide assistance to the military commissariats, which are unable to cope with their duties for objective reasons: Obstacles are being placed in their path. Of course, Vitaliy Ignatenko observed, it would be better if the Soviet Army draft took place, as always used to happen, to music and with flowers. But since that possibility does not now exist, the law enters into force. We must fulfill the existing constitution, nobody has repealed it. [passage omitted]

On Saturday 12 January it is planned to hold a routine session of the Federation Council, at which the USSR president intends to submit for discussion the question of candidacies for the Cabinet of Ministers leadership.

Are there grounds for believing that Eduard Amvrosiyevich Shevardnadze will change his decision to resign the leader of the president's press service was asked. The USSR foreign minister is in constant contact with Mikhail Sergeyevich, came the reply. It could not be otherwise—E. Shevardnadze is still in that post and is carrying out his duties. But a return to his former post is not under discussion. It was added, however, that a man and politician on such a scale will certainly find a place in political life. "His experience, knowledge, and prestige in the world could serve the country," Ignatenko stressed.

Near East & South Asia

Akhromeyev Cited on Possible Gulf Crisis Solution

LD1001123291 Tallin Domestic Service in Estonian 1000 GMT 10 Jan 91

[Report by USSR People's Deputy Juan Aare from Moscow—live or recorded]

[Text] This morning at 1110 Estonian time, Marshal Akhromeyev—military adviser to the USSR president and USSR Supreme Soviet member—made quite an interesting statement in the corridors of the Kremlin. In his opinion, an agreement will be reached before 15 January by which there will be no war in the Persian Gulf and Iraq will begin to withdraw its forces from Kuwait. When deputies and journalists asked Akhromeyev to clarify what his optimism was based upon, he presented two main arguments:

First, the parties involved in the conflict understand extremely well that a war in the Persian Gulf would swiftly go beyond the framework of a local conflict. A war without a front line will take shape, encompassing a gigantic area of land of three by 4,000 square kilometres. [sentence as heard]

Second, in the opinion of Akhromeyev, Iraq has indeed understood that both its Army and state will be dealt a devastating blow. Akhromeyev believes that a whole string of opportunities exists which so far has not been used to force Iraq to withdraw from Kuwait even within those few days, without starting war activities.

Akhromeyev did not wish to talk about the possible duration of a war and other similar details, because in his opinion actual war activity in the Persian Gulf will not begin.

Of course, one need not take Akhromeyev's words as pure truth, but there is no reason to ignore them completely. I, in any case, hope very much that he is right, and I agree with those who think that starting a war will open up new opportunities for using [USSR] force in the Baltics.

The USSR Supreme Soviet will deal with the crisis in the Persian Gulf on Saturday, 12 January.

Analyst Sees 'Silver Lining' to Cloud Over Gulf

LD1001180491 Moscow TASS in English 1737 GMT 10 Jan 91

[By TASS political analyst Yuriy Tyssovskiy]

[Text] Moscow January 10 TASS—"The king is dead. Long live the king" is a formula applicable to the situation which arose after the talks flopped in Geneva on Wednesday beween U.S. Secretary of State James Baker and Iraqi Foreign Minister Tariq 'Aziz. "The king" in this case stands for hopes cherished by the world community for a peaceful settlement in the Gulf.

Against the gloomy background created by the Geneva confrontation—the rendezvous in Geneva can hardly be described as anything else—political analysts still insist that there is a silver lining to the thunder cloud that overhangs the world in its wake.

Both sides stuck to their hard lines and did not give in to each other on any single aspect of the issue. Nevertheless, the meeting did not boil down to a brief exchange of ultimatums, with the American one expressed in a wording like this: "Get out of Kuwait or else...." Talks lasted for at least seven hours—long enough to make Washington's and Baghdad's positions absolutely clear to each other.

Optimism is also encouraged by Baker's statement that there were six (five as of today) days left before the U.N. deadline for Iraq's withdrawal from Kuwait, time enough for Saddam Husayn and his aides to analyze the essence of the Geneva talks and draw due conclusions.

True, not much hope remains. Saddam Husayn on Wednesday warned the U.S. Desert Shield contingent that it will find itself in a bloodbath if it attacks the Iraqi expeditionary corps. Tariq 'Aziz threatened Tel Aviv that Israel will be the first victim of a war in the Gulf. But still there is room left for hope.

First of all, there is a series of initiatives by a number of countries, set forth or about to be implemented. The Soviet ambassador to Iraq Viktor Posuvalyuk conveyed to the Iraqi president a message from the Soviet leadership, the substance of which fits in the framework of Soviet efforts to achieve a peaceful solution to the crisis. Chairman of the French National Assembly's Foreign Affairs Commission recently visited Baghdad and spoke afterwards about the possibility of a Franco-Arab initiative if James Baker's mission in Geneva fails.

The European Community is ready to send its representative to Algeria for talks with Tariq 'Aziz on steps to be taken to evade a war which is to no one's liking. U.N. Secretary-General Javier Perez de Cuellar has gone on his second and probably the most difficult mission to Baghdad to try and get Saddam Husayn make up his mind to withdraw troops from Kuwait.

The world community is determined to work towards Iraq's full compliance with all the 12 Security Council resolutions adopted since August 2, 1990.

The Iraqi leadership should be fully aware that there will be no concessions to the aggressor. The world will no longer stand for military adventurism.

West Europe

Belonogov, Turkish Ambassador View Relations

PM1001161591 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 4

[TASS report under general heading "Official Reports"]

[Text] On 8 January USSR Deputy Foreign Minister A.M. Belonogov received V. Vural, ambassador of the Republic of Turkey to the USSR, at the latter's request.

Urgent questions of Soviet-Turkish relations and some regional and international problems, including the situation in the Persian Gulf, were discussed during the talks.

Supreme Soviet

Supreme Soviet 10 Jan Proceedings Reported

LD1001212191

[Editorial Report] Moscow Central Television Second Program Network in Russian at 1845 GMT on 10 January carries the "At the USSR Supreme Soviet Session" program of recorded excerpts of the proceedings of the USSR Supreme Soviet session in the Kremlin in Moscow on 10 January. The session is chaired by Lukyanov.

The discussions on the budget and plan for 1991 begins with some deputies reminding the hall that an economic agreement will be reached at the end of the week. They propose postponing discussion of the budget and plan.

Lukyanov then gives the floor to a representative of the coordinating committee who says that the impression received from the discussion yesterday was that they must start adopting the documents of the draft budget today. All the information from the leadership is there, with regard to the signing of an economic agreement. The representative thinks that the Supreme Soviet should make decisions without looking to the opinion of others. The Supreme Soviet has a full moral right to take decisions, he believes.

At 1855 GMT, the deputies votes for Lukyanov's proposal of fixing figures on the budget and then adopting the documents, article by article, by 341 votes for and 46 against.

Deputy Lisitskiy proposes increasing sales tax to 16 percent, to provide extra money for culture and education.

The coordinating commission representative thanks Lisitskiy for his proposal, but stresses that 15 percent is the optimum rate.

At 1902 GMT, Lukyanov calls for the approval of the total level of revenue in the budget. The revenue figure is ratified by both chambers. Voting is to take place on the total amount of expenditure.

Finance Minister Pavlov proposes fixing a limit to the budget deficit at 26,663,149,000 rubles [R].

At 1907 GMT, the coordinating commission representative agrees with this figure. The figure is approved by 336 votes for, 32 against with 46 abstentions. The next subject is expenditure.

Pavlov then proposes an expenditure figure for the Union budget.

"According to Article 9 it is proposed that the Union budget for 1991 be ratified to the sum of 276,820,599,000 rubles [R]," he states.

An unidentified deputy shouts: "Louder!"

Lukyanov asks: "Please speak louder so that deputies can hear."

Pavlov continues: "Comrades, please go to Article 9. According to the regulations, we must ratify these sums first, not the actual text of the articles, but just the sums, and then we will go through the articles. Is any justification of the expenditure part necessary?"

Deputies respond both "no" and "yes."

Lukyanov states: "Then I am putting to the vote, for your ratification, the total sum of budget expenditure for 1991. In the draft law, Article 9, it is fixed at R276,820,599,000. I ask you, as the government proposes—does the government support this? Yes, it does. I put this sum for the ratification of the Supreme Soviet. Who is in favor?" The proposal is passed by 341 votes for, 38 against, and 40 abstentions. Lukyanov continues: "Thus, the total sum of budget expenditure is ratified by the Supreme Soviet. We have now agreed to approve separately the top limit on foreign debt. Valentin Sergeyevich! You will see, dear friends, that this is Article 32. The top limit on foreign debt beyond which no one in the country may go—this is the Supreme Soviet's regulating role until 1 January 1992. I ask you to report on it as agreed."

At 1911 GMT Pavlov again addresses the deputies: "Esteemed comrades, considering the fact that the budget revenue... [indistinct murmurs from deputies] Apparently that is how it is, I apologize."

Lukyanov says: "He speaks quietly but impressively."

Pavlov continues: "Taking into account the fact that the budget revenue envisages receipts totalling R86 billion from our foreign economic activities and the fact that we cannot rely in the provision for them on our own income from exporting output alone, we are forced to resort to foreign loans. Naturally this will increase our indebtedness. Calculations show that to ensure the amounts envisaged in the budget revenue we will have to increase our debt to R39 billion at the USSR Gosbank official exchange rate.

"When the draft budget was being examined and when this matter was being considered in the committees and commissions we reported from which preliminary sources and on the basis of which agreements it is intended to attract these foreign resources. However, in all the circumstances the government thinks that this cannot be a permanent source for our country. Also, exceeding a certain permissible framework of debt will sooner or later force us to make provision to divert our national revenue to debt redemption and the servicing of foreign debt.

"Therefore, proceeding on the basis of these prerequisites, calculations show that R39 billion is on the one hand the permissible figure that we might at the present time accept and on the other the top limit that we could attract. We find ourselves therefore, as it were, between the two. On the one hand there is a wish to attract more but there is no chance of this because—one must tell deputies this bluntly—our rating in the international financial markets is not too high. On the other hand, without this amount we cannot balance either the budget or the national economy from the viewpoint of production and the purchase of raw and other materials especially for the chemical and light industries, and we cannot balance the population's monetary income with the need to purchase foods and above all grain. The government is therefore, nevertheless, asking you to approve this top limit on foreign debt."

At 1914 GMT, (?Maloserdnyy) asks whether the figure is a hard currency ruble or not. Pavlov says that the figure is based on three exchange rates. The multiplicity of rates is not ideal, but the idea is not ours, but is established practice, he explains.

At 1917 GMT, Russian industry minister Kisin asks whether there is a program for repaying foreign debts for 1991. Pavlov explains that under the agreement between the Union and the republics, all loans undertaken today are taken with the consent of, and by agreement with, the republics, and are distributed appropriately among the union republics; bearing in mind that they will later assume responsibility for these debts and for repaying them. Our common debt today, as they say, will actually arise from the purchase of food and the refinancing of the debts we have to pay; in 1991 this will be around R9 billion, he explains.

An unidentified deputy then says that some countries owe us money. Pavlov replies that the country's revenue takes account of R19 billion owed to the USSR.

The deputies approve the figure of R39 billion by 360 votes for and 23 against.

At 1922 GMT, Lukyanov proposes starting to adopt the laws.

Pavlov asks that the proposals should not be considered as laws because the need to change individual articles without altering the total sums may arise during the year.

At 1924 GMT, Lukyanov proposes adopting the law on the union budget as a whole and then in sections. There are 342 votes for, 32 against, and 35 abstentions.

Several deputies propose minor amendments to articles referring to ecological funds and funding for invalids.

At 1931 GMT, an unidentified deputy speaks on the need to convince people of the urgency of giving education higher priority. She argues for higher salaries for teachers and appeals to those with children. Another unidentified deputy asks for greater funding for education. Eventually an instruction is adopted on education by 322 votes in favor and 4 against.

At 1937 GMT, the announcer says that there was much debate on the conditional nature of the budget, which allows for alterations. Pavlov argues that the budget corresponds to the extraordinary situation. The presenter says that the deputies continued voting on the articles of the budget. The session will continue work tomorrow, he concludes. The program then ends.

Pavlov Speaks on Deficit

LD1001215591 Moscow Domestic Service in Russian 1633 GMT 10 Jan 91

[Remarks by USSR Finance Minister Valentin Pavlov at the USSR Supreme Soviet session in Moscow on 10 January; from the "USSR Supreme Soviet Diary" program presented by Lyudmila Semina—recorded]

[Text] [Semina] The deputies agreed to the sales tax as an emergency measure in the conditions of economic crisis and approved it. The revenue figures in the country's budget which they voted for amount to over 250 billion rubles [R].

Then the Supreme Soviet voted on the top limit for the budget deficit. Pavlov, the country's finance minister, reported on this.

[Begin Pavlov recording] It is proposed that the top limit for the deficit be approved at a level of R26,663,149,000.

[Lukyanov] Please give the reasoning behind this.

[Pavlov] Since the esteemed deputies have approved the budget revenue as proposed at a level of R250.157 billion and in calculating the budget in the coordinating commission they considered that expenditure be adopted at the level of R276.820 billion, they are giving R 26.663 billion as the maximum deficit level for the Union budget. However, I would like to adduce additional reasons behind this figure from the economic viewpoint.

We proceeded on the basis of the main areas involved in the transition to a market economy and on this basis it was acknowledged by all the deputies that one of the main prerequisites is the stabilization of monetary circulation. We set ourselves the task of lowering the budget deficit in a short time to between three and five percent of the volume of the gross national product. It was on the basis of this guideline that all the planning in the budget was orientated regarding revenue and regarding expenditure. If we go beyond this level of deficit, we will go beyond the framework of the maximum permissible level for loading monetary circulation next year. This is why we requested that the amount proposed to you be approved as the maximum deficit level. [end recording]

[Semina] The excess of expenditure over revenue in the new year will thus be over R26.5 billion. The deputies also approved the amount of the country's expenditure—almost R277 billion. They voted separately on the maximum level of foreign debt. No one in the country will be able to exceed this limit. It is R39 billion.

Belousov on Military Expenditure

LD1001220791 Moscow Domestic Service in Russian 1633 GMT 10 Jan 91

[Remarks by Igor Belousov, deputy chairman of the USSR Council of Ministers, at the USSR Supreme Soviet session in Moscow on 10 January; from the "USSR Supreme Soviet Diary" program presented by Ludmila Semina—recorded]

[Text] [Semina] The question of military expenditure gave rise to many questions from the deputies. Expenditures stand at more than 98.5 billion rubles [R]. There were some very strong speeches against such investment in the military-industrial complex. Finally it was decided to reduce its financing by R2 billion. Belousov, deputy chairman of the Council of Ministers, was given the floor on military expenditure. He is in charge of military expenditure.

[Begin Belousov recording] In accordance with instructions from the USSR Congress of People's Deputies and the Supreme Soviet in 1989 and, on the whole, 1990, careful, difficult, complex, joint work was carried out together with the military complex, scholars, and Supreme Soviet deputies on forming a draft budget for defense expenditure in 1991. I ask you to bear in mind that those instructions connected with significant cuts in defense expenditure and on the purchase of weapons and military equipment and the government proposals for 1991 have not only been fully taken into account, but have also been introduced in a considerably fuller way than was intended earlier.

I want to say that if we are to talk about final formulas for defense expenditure and about decreasing this expenditure by R2 billion compared to what was proposed by the Ministry of Finance and the government, then there are four areas involved. Briefly, they are:

First, the maintenance of the Army and political and social issues—these cannot be solved in a day. This is a very complicated question. From a practical viewpoint it is impossible to do this today because 1991, the year we are discussing, is already under way.

The second area concerns social expenditure including the resettlement, housing, and social needs of people serving in the Army and who are being withdrawn from the East European countries. It is impossible to make any changes in this are as far as cuts are concerned, as you can well understand.

The third area is science. When this issue, the issue of industry and science, was discussed with all the deputies, peoples deputies, they all indicated that it is quite simply dangerous to further reduce expenditure on science. I must tell you that in a whole number of areas of military equipment we lag seriously behind. This must be stated frankly and clearly here at the USSR Supreme Soviet.

The final area concerns the production of military equipment and weaponry. I ask you to bear in in mind that there are two sides to this question. The first is that it is necessary in 1991, taking into account the large reductions, to ensure that everything is reduced as much as possible and thought out as carefully as possible. I would like to draw your attention to the fact that in the armies of other countries where everything is done to ensure good, normal relations, the level of modern military equipment throughout the whole range of troops is significantly higher at a technical level than here. The Supreme Soviet must know this and must take this into account. Finally, bearing in mind that we are already into the year, all calculations concerned with the possibility of reducing expenditure connected to the supply of weaponry and military equipment have an inevitable and direct effect on labor collectives. Difficult social questions immediately arise which we are obliged to take into account. [end recording]

[Semina] Kucherenko, the chairman of the Planning, Budget, and Finance Commission, objected that it was necessary to make serious cuts in all areas of expenditure. Such is the situation. It was decided to return to the subject of military expenditure at the next session tomorrow.

Union-Republic Accord, Sales Tax Debated

LD1001112691 Moscow Domestic Service in Russian 0900 GMT 10 Jan 91

[Excerpts] [Announcer] To start with, the latest news from the Kremlin where the session of the USSR Supreme Soviet—already with its new team of deputies—is continuing its work. We will go over from Ostankinskaya [studio] to the All-Union radio's press position, and on the line is Aleksandr Ruvinskiy. Can you hear us?

[Ruvinskiy] Yes. Today one of the most important points on the agenda of the current session is being discussed; that is, the issue of the Union budget for 1991, for the sake of which, strictly speaking, the work of the current session was extended—in order, all the same, to adopt and confirm this budget. [passage omitted]

And what objections have initially been voiced by the people's deputies? Discussion centered on the fact that on Saturday, as is well-known, there is to be a session of the Council of the Federation at which a temporary economic agreement between the republics is to be signed. Several deputies have today expressed the view that the country's budget should not be adopted prior to that temporary economic agreement being signed, insofar as these are two documents connected with each other. However, it was decided that the Supreme Soviet should go its own way, in a manner of speaking, and adopt these documents, without reference to the Council of the Federation.

The second matter that has aroused serious arguments this morning is the sales tax which is being introduced this year. Moreover, I feel sure that a significant number of deputies taking part in the session have not yet worked out what sort of tax this is. [passage omitted]

Many arguments are currently going on about this issue. But all the same, the fundamental, basic articles of our budget for 1991 have already been adopted during these first two hours of the session. And I think the deputies will once more return to the sales tax at the next sitting.

Thus, expenditure has been confirmed, and I will give you the round figures—something in the region of over R276 billion; and income will be R250 billion. In this way, the budget deficit will be R26.5 billion. The debt, our state's maximum external debt by the end of the year, has been confirmed as in the region of R39 billion; that is, more than 100 hard currency rubles for every person living in the country, if I want to speak in round terms.

Well, this is the main work which has been done today during the first two hours of the work of the session; and generally speaking, it is fairly significant work.

[Announcer] Thank you Aleksandr.

[Ruvinskiy] But now this draft law is to be further discussed, taking specific and separate articles.

[Announcer] Thank you for the report, Aleksandr. We will continue our broadcast from the Ostankinskaya studio.

Budget Debated Item by Item

PM1101113791 Moscow PRAVDA in Russian 11 Jan 91 Second Edition p 1

[Report O. Kuzmina and Ye. Sorokin under the rubric "At the USSR Supreme Soviet Session": "Is Expenditure in Line With Income?"]

[Text] Early yesterday morning the USSR Supreme Soviet continued its discussion of the 1991 Union budget. Opening the legislative sitting, A. Lukyanov said that there had been detailed discussion the day before of all aspects of this draft law. The conciliation commission in conjunction with the government has examined the contentious issues and agreement was mainly reached.

V. Kucherenko, chairman of the Planning, Budget, and Financial Commission and head of the conciliation commission, who spoke next only confirmed what the chairman of the USSR Supreme Soviet had said. This in itself prompted the idea that the draft law would have a "smooth" passage. However, deputies proved to have more questions than, evidently, either the conciliation commission or the government expected. L. Sukhov inquired whether the finalized version of the budget took into consideration the coal price increase implemented by the Ukrainian Government under pressure from the miners. It transpired that the draft already includes 15 billion rubles [R] in subsidies to miners of which the Ukraine has asked for "its" R7 billion.

The main debate flared up, however, over two things. The first is connected with the conclusion of an economic agreement between the republics. Since this has not yet been concluded, there is no point in examining the Union budget either, one deputy said. A. Lukyanov provided information to the effect that this version of the budget considers the provisions of the economic agreement which has largely been agreed. He expressed perplexity that this question had actually been raised. In fact, the country's present budget is of an extraordinary nature, its adoption was protracted as it was, and people are suggesting another postponement.

Deputy V. Lisitskiy focused his attention on the sales tax. He said that this tax should total a minimum of six percent of the cost of the goods and services rather than five percent as envisaged by the presidential decree. This, he said, is a change to swell budget revenue by more than R4 billion. He also favored increasing retail prices with minimum compensation.

The main idea espoused by the economic director of the Nikolayev Black Sea Shipbuilding Plant production association is quite obvious: You have to live according to your income. And realities certainly have to be taken into account too.

It was no coincidence that deputies unequivocally opposed V. Lisitskiy's proposals. Moreover, they were not alone in this; they were joined by the government. USSR Finance Minister V. Pavlov pointed out that a five-percent sales tax is the best option. However, the government was criticized for the fact that the president's decree has been in force for ten days now and enterprises still have no mechanism for calculating this five percent. Cables are arriving from every corner of the country asking for the appropriate explanations.

L. Voronin, USSR first deputy premier, was given the floor. He noted that the budget was compiled in line with the Supreme Soviet's instructions—giving priority to the social sphere.

A paragraph by paragraph vote on the USSR Law "On the 1991 Union Budget" then began. But its main indicators had already been ratified. Budget revenue is envisaged at more than R250 billion, while expenditure is envisaged at approximately R276.8 billion. The maximum budget deficit has thus been ratified at approximately R26.7 billion.

In the middle of the evening sitting A. Lukyanov with characteristic irony noted that the budget has no room for emotion. However, emotions did flare up—the assembly heard a number of excited speeches from teacher deputies and the view of the Committee for Education. It was decided after a long debate to instruct the Planning, Budget, and Financial Commission, in conjunction with the government and the Committee for Education, to formulate a USSR Supreme Soviet proposal on appropriations for Union education programs, in particular for teachers' wages.

Battle was joined over the military budget. The question was not resolved, and deputies will return to it today when the paragraph by paragraph voting continues.

'Fundamental' Budget Matters Reportedly Settled

LD1001094591 Moscow TASS International Service in Russian 0917 GMT 10 Jan 91

[By TASS correspondent Ivan Ivanov]

[Text] Moscow, 10 Jan (TASS)—At a joint sitting of its houses, the USSR Supreme Soviet today adopted the basic parameters for the Union budget in 1991. Budget revenue will total 250.157 billion rubles, and expenditure will be 276.821 billion, giving a maximum deficit level of 26.663 billion rubles. The maximum for the Soviet Union's foreign debt on 1 January 1992 is set at 39 billion rubles in freely convertible currency (at USSR Gosbank official rates).

Due to the conflicts between the center and the republics over the division of powers, this is perhaps the first time in its history that the Soviet Union has entered a new year without a plan and budget. A number of deputies today raised the question of the pointlessness of adopting these documents before the republics sign the provisional economic agreement for the current year on 12 January, in the course of a meeting of the Council of the Federation. But as Viktor Kucherenko, chairman of the Planning, Budget, and Finance Commission, said: "So far as the provisional agreement is concerned, all the fundamental matters have been settled, and there are none which could alter the figures set out in the Union budget proposals."

After adopting the basic parameters for the Union budget, the USSR Supreme Soviet went on to pass the document article by article.

Differences Block Defense Budget Debate

LD1001182691 Moscow TASS in English 1801 GMT 10 Jan 91

[By TASS legislative correspondent Vladimir Isanchenkov]

[Text] Moscow January 10 TASS—The Soviet parliament was unable to finish the discussion of the 1991 military budget today because of serious differences concerning the threshold for military spending.

Spending on weapons and military equipment will be reduced by 23 per cent in 1991 as against 1988 and the annual average rate of spending reduction will amount to 16 per cent, a rate unheard of in any other country. However, the plan-and-budget commission voted against the sum of 98.6 billion roubles requested by the government and proposed slashing it by another two billion.

Representatives of the defence complex spoke resolutely against further cuts in military spending. Deputy Prime Minister Igor Belousov, in charge of defence matters, called on the parliament to endorse the defence spending figures initially proposed by the government. Deputy Yuri Samsonov proposed on behalf of the parliament's committee for defence and state security to allocate no less than 99.9 billion roubles for defence, more than what the government requested. He said additional spending was needed to perfect military equipment, convert military to peaceful production and to preserve the defence complex's scientific potential.

Chairman of the parliament's plan-and-budget commission Victor Kucherenko admitted the validity of arguments brought in by spokesmen for the defence complex but said that nevertheless the grave financial situation dictated the need to cut spending under every budget article.

The parliament will continue to consider the country's 1991 budget, including defence spending, at the next joint session of its two chambers on Friday.

Defense Budget Approved 11 Jan

LD1101104791 Moscow TASS International Service in Russian 1005 GMT 11 Jan 91

[By TASS legislative correspondent Vladimir Isachenkov]

[Text] Moscow, 11 Jan (TASS)—The Soviet Union will spend 96.563 billion rubles [R] on defense needs in 1991, which is almost 2 billion less than the sum asked by the government.

At a closed meeting today, this amount was approved by the USSR Supreme Soviet as budget expenditure for upkeeping Army and Navy personnel, purchasing armaments and military hardware, research and development in the military field, military construction, and other defense outlays. A member of parliament told the TASS International Service correspondent about this immediately after the closed meeting was over.

During the voting on the issue of budget allocation for defense, an alternative proposal by the government, according to which defense expenditure would have amounted to $98.6 billion, did not get support. Of that sum of defense expenditure, it was initially planned to allocate R39.65 billion for purchasing armaments and military hardware; R12.403 billion for scientific research in the military field; R31.034 billion for upkeeping the Army and the Navy; and R1.903 billion for nuclear weapons for all kinds of troops. Now the USSR Ministry of Defense together with the Ministry of Finance has to decide what kinds of military outlays are to be cut by R2 billion.

According to the main parameters of the Union budget for the current year adopted by the parliament earlier, its revenue will amount to R250.157 billion; expenditure—R276.821 billion; and a maximum deficit amounting to R26.633 billion.

IZVESTIYA Reports on Presidium Discussions

PM1001162391 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 1

[TASS report: "USSR Supreme Soviet Presidium Session"]

[Text] There was a USSR Supreme Soviet Presidium session in the Kremlin on 8 January under the chairmanship of A.I. Lukyanov.

The session examined questions connected with work on the implementation of decisions by the Fourth Congress of USSR People's Deputies and the continuation of the fourth session of the USSR Supreme Soviet.

In compliance with an instruction by the Fourth Congress of USSR People's Deputies there was a discussion of proposals on the organization of and measures to ensure the holding of a USSR referendum on preserving the USSR.

The question of optimizing the composition and structure of USSR Supreme Soviet committees and chambers' commissions in view of the USSR Supreme Soviet rotation, was examined in the context of the tasks connected with improving the activities of the USSR Supreme Soviet and its organs.

A Commission on Liaison Between the USSR Supreme Soviet and the Public was formed in accordance with a USSR Supreme Soviet instruction. The commission statute was approved. B.I. Oleynik, deputy chairman of the USSR Supreme Soviet Soviet of Nationalities, was confirmed as chairman of the commission.

Some other questions of state life were examined.

Political & Social

INTERFAX News Agency Shut Down in Moscow

AU1101153291 Paris AFP in English 1458 GMT 11 Jan 91

[Text] Moscow, Jan 11 (AFP) -The Soviet Union's unofficial news agency Interfax has been silenced by Radio-Television state committee chairman Leonid Kravchenko, who cut off the agency's phone transmission links, Interfax said.

In a communique transmitted only minutes before the cut off, Interfax said Mr. Kravchenko had decided to seize all the assets of the agency, created in September 1989 by the committee, called in Russian Gosteleradio, and a joint Soviet-Italian-French company Interquadra.

The development comes as Soviet troops were occupying key institutions in the Baltic republic of Lithuania, such as the government printing press and the Defense Ministry.

Interfax worked out of rooms in the Gosteleradio building in Moscow and was to move soon to new premises allocated by the Moscow city administration.

Interfax has been one of the key symbols of greater liberty in the wake of Soviet leader Mikhail Gorbachev's perestroika policies. It has even supplanted the official news agency TASS as the Soviet Union's main news service.

Employee Confirms Cut Lines

LD1101153891 Berlin ADN in German 1510 GMT 11 Jan 91

[Text] Moscow (ADN)—An employee of the independent Moscow news agency INTERFAX confirmed to ADN on Friday that the agency's transmission lines have been cut. The INTERFAX report about the unexpected stoppage of work was the agency's last report, said the employee, who would not give his name or any further details. He was already describing himself as a "former" employee of INTERFAX. The agency and, in particular, its newly formed cooperative enterprise BALTFAX had in the last few days, in contrast to the official Svoiet media, reported critically on the action of the Soviet Army in the Baltic States.

Chernobyl Cooling Pump Shuts Down

PM1001222191 Moscow RABOCHAYA TRIBUNA in Russian 11 Jan 91 p 2

[Report by N. Kozlova: "Emergency at Chernobyl Nuclear Power Station"]

[Text] It must be said that this is not the first incident of the year. Whereas the incident a few days ago at the Balakovskaya Power Station was just a pile of rubbish catching fire, what happened yesterday was a far more serious event.

This is how A. Kontsevoy, leader of the Ministry of Atomic Power Engineering and Industry Main accident coordination administration [Glavnoye avariynodispetcherskoye upravleniye] described it:

"The emergency happened on the morning of 10 January. The operators at the control panel of the Chernobyl nuclear electric power station number three power unit suddenly noticed figures flashing on the display panel: The power unit's output was dropping sharply. One of the main pumps cooling the reactor shut down. A cable compartment filled with smoke. At the same time the automatic fire extinguisher system went into operation. Damage to a cable was most probably the cause but has not been discovered yet. A commission is presently clarifying the circumstances of the incident.

'Vzglyad' Suspended Until New 'Concept' Developed

PM1101103991 Moscow KOMSOMOLSKAYA PRAVDA in Russian 11 Jan 91 p 1

[Report by correspondent A. Korzun: "Some People Are Awkwardly 'Looking' the Other Way"]

[Text] Will the popular television program "Vzglyad" ["View"] be broadcast today? In Ostankino our correspondent met with the creators and leaders of this program to try to get to the bottom of this protracted affair.

For the most impatient television viewers we report that you need not bother to wait for "Vzglyad" this evening. For the third time, just as in the past two weeks, the leadership of the USSR Gosteleradio [State Committee for Television and Radio Broadcasting] has banned the transmission of a virtually finished program...

"We were no longer planning to include the topic of Shevardnadze, which has become a stumbling block, in the 11 January program," "Vzglyad" director A. Lyubimov told us yesterday. "Our collective is not made up of superprincipled people. We are frequently obliged to make compromises, guided by more serious considerations than our own emotions. We take account of the fact that society is represented by different people. And, after two unsuccessful attempts already, we have backed down once again in order to save the program. But this is not a question of seditious material..."

The official reason for the nontransmission this time is the order issued 9 January by Gosteleradio First Deputy Chairman P. Reshetov suspending the production and transmission of the program. A very nonspecific time was named—until Central Television's Main Editorial Board for Young People's Programs submits "an amplified creative concept of the 'Vzglyad' program, giving the main thematic areas proposed in 1991..." and also until the elaboration of "the terms of a contract providing for the rights of the 'Vzglyad' program authors' collective, for the mutual responsibility of Central Television's leadership and of the said collective for the program's content and quality, and for observance of technological requirements in its preparation and discipline on air."

We tried to obtain a comment on the decision adopted from Gosteleradio Chairman L. Kravchenko, but he refused to answer the questions and readdressed them to his deputy.

P. Reshetov:

"We have no intention of closing down the program or losing it altogether. We simply believe that 'Vzglyad's' journalists must take a break, so to say, so the guys can understand and take into account the new demands now being made on the First Channel of Central, state television..."

According to the predictions of "Vzglyad's" presenters, viewers will not see the next edition of the program for at least two or three weeks. A. Ponomarev, chief editor of Central Television's Youth Editorial Board, said:

"We ourselves insisted on a revision of relations between creative workers and their leaders. It is good that the transition to the normal relations generally accepted in world journalism is starting precisely with us, with 'Vzglyad.' But at the same time I believe that the decision to cancel the 11 January 'Vzglyad' was not right."

In our opinion, however, the break (we would like to hope that it is precisely a break) could drag on. Will the "sharp-tongued" journalists be able to reach agreement with their leadership, and will the new television "reforms" not leave them outside the picture?

Procurator Trubin Discusses Law-and-Order Issues

LD0501221991

[Editorial Report] Moscow Domestic Service at 1100 GMT on 5 January, on the "Citizen, Society, law" program conducted by Boris Kondratov, presents a 60-minute question-and-answer session with USSR procurator General Nikolay Semenovich Triubin, who replies to questions sent in by listeners.

Kondratov says that it had been planned to interview V.V. Bakatin in this slot, and briefly praises Bakatin's achievements in office.

Explaining how he sees his role, Trublin says: "The procuracy system is indeed now in a state of crisis. It is indeed being subjected to the most acute criticism from all sides. Therefore, it is essential to reexamine some things in the organization of the procuracy. I see the most important task today being to use procuratorial powers to the fullest extent to stabilize the socio-political situation in the country. That is the first task. The second task is to consolidate the procuratorial system as a single system for the whole country. It has turned out today that in many republics, virtually in all republics, the status of the republican procuracies has changed. Each republic, proceeding on the basis of its declaration of sovereignty, considers it essential to have the right to appoint the republican procurator and demand that he account for his activity. I can understand this. I think that this right must be recognized. This should have been done considerably earlier than we did, since the orientation towards strict centralization of the procuracy system, despite the fact that we all recognize the sovereign rights of the republics and the need to limit the powers of the Union and the republics, means this centralization has in essence forced the procuracy to lag behind events and not to influence in any way the processes taking place in the republics with regard to the changes in the status of the procuracy.

"Therefore, at the past, fourth, congress, we took advantage of the fact that the law on introducing changes into the USSR Constitution was being discussed to propose changing the articles concerning the procuracy. Now, the USSR Constitution recognizes the soverign rights of the republics to have a republican procuracy. But, at the same time, the Constitution proceeds from the need to preserve a single procuracy system. For this, the Constitution lays down the right of the USSR General procurator to participate in selecting cadres of republican procurators in the form, say, of proposing or agreeing to candidates. It also has the right to run the single procuracy system of the USSR as regards the supervision of the observation of all-Unon laws adopted within the limits of the powers voluntarily transferred by the republics to the USSR.

"If one embarks on a different path, then one will have to create parallel procuracy structures in the republics, the oblast, towns and so on. Parallel structures would be directly subordinate to the Union procuracy. I think that the first way is preferable, since it does not require very many people. I think since all procurators deeply understand the ruin anarchy can cause in legal matters, we shall succeed in consolidating the procuracy system in order to direct its efforts to stabilizing the situation in the country."

Replying to questions about the procuracy's efforts against those guilty of extremist violence, Trubin says he does not know the figures, except that one perpetrator has been sentenced to death.

Asked about progress in the case of the murder of the priest Aleksandr Men, Trubin says: "In the case of the murder of the priest Aleksandr Men, the investigation is in progress. There are suspects. But things are not as simple as it first appeared. The investigation is continuing. When it is determined who the murders are, and when they have been found guilty, this fact will be published."

A questioner asks what Trubin will do to combat the bureaucracy which controls the procuracy. Kondratov agrees with the questioner, and cites as an example Union procuracy officials who praised the Gdlyan group at first, but later condemned it. Trubin says that officials must be viewed as individuals.

A questioner asks about the fate of (Karpasyan), a member of Gdlyan's investigation group, now facing charges, and who is a candidate for election as a peoples deputy in Armenia. Trubin explains the legal position:

"Will proposals be made for changes to the collegium of the USSR Procuracy? I would reply to this question like this: I believe that in general the principle of the way the collegium is formed should be changed. In my view the collegium should consist of the procurator general, his deputies and the procurators of all the Union republics. Possibly it is necessary, in the historical conditions which have arisen, to somewhat alter the role of the collegium itself. Perhaps from being a consultative body under the USSR Procurator General, it should be changed into some sort of collective leadership body taking account of the sovereignty of the republics and taking account of the fact that we intend to preserve a single procuracy system".

Asked why the USSR antispeculation law is not operating in Moscow, Trubin says that the Russian Soviet Federated Socialist Republic has not approved such a law yet. He hopes for an end to the war of laws.

Trubin says that no amnesty is planned, as far as he knows. Attempts are being made to keep inveterate criminals apart from first offenders.

In reply to a listener, Trubin explains the system for the rehabilitation of people wrongfully repressed in the past. All the necessary legislation is not yet in place. Trubin is asked: "What is your attitude to the prospect of possible broadcasting of trials, famous trials, on television or on radio?" He replies: "In general, I am not in favor of show trials." They may play to the gallery rather than seek for justice, he says.

Kondratov says that during the program 45 telephone calls have been received about Gdlyan and Ivanov, who have already been mentioned; and 37 about former General Kalugin. On the subject of the latter, Trubin says: "I have heard, on the side as it were, that the USSR procuracy has put forward to the plenum of the USSR Supreme Court a protest against the court decision. I do not think it is correct to alter the decision taken by my predecessors on this case. This is mainly because, after all, the court should have the last word. The USSR Supreme Court is the highest court. If it declares the protest unfounded, then that it is how it will stand."

Asked his opinion on the death penalty, Trubin says: "I think that the supreme penalty should be preserved in present day conditions for premeditated murder in aggravated circumstances."

Trubin says that in the first half of 1990 about 17,000 officials were brought to trial for various abuses. "We must ensure that no one in our society is untouchable," Trubin says. He notes that the procuracy needs additional powers to ensure that its decisions are fulfilled.

A listener asks Trubin his opinion of Yu. V. Golik's statement at the USSR Supreme Soviet that anything which is not forbidden by law should be permitted. Trubin says: "The level of legal culture in our country today is such that it is obviously premature to put into operation the principle that everything is permitted which is not forbidden. It is necessary to introduce some corrections into this position."

Trubin concludes by promising efforts will be made to reduce street crime.

Gorbachev's Daughter, Son-in-Law Interviewed

91UN0655A Moscow ARGUMENTY I FAKTY in Russian No 1, Jan 90 p 4

[Interview with Irina Gorbacheva, daughter of USSR President M.S. Gorbachev, and her husband Anatoliy, by MEDITSINSKAYA GAZETA correspondent A.

Semenov; place and date not given; names as given: "The President's Children"]

[Text] *"Could you tell us something about the family of our president? Is it true that his daughter went to the West with her husband?"*

[signed] Shurpanov and many others, Vologda

In response, we present here excerpts from a conversation between MEDITSINSKAYA GAZETA correspondent A. Semenov and I. Gorbacheva and her husband.

[Semenov] Many curious things are said about you. We would like to hear some details from you yourselves.

[Anatoliy] As far as I know, all of Moscow these days is discussing our "departure"—for Switzerland, or Australia—the geographical locations are quite diverse.

[Semenov] Irina Mikhaylovna, why did you "abandon" your Motherland?

[Irina] It was not for a long time. The World Health Organization has a department for chronic noninfectious diseases, and was conducting an international seminar in Switzerland. An invitation was extended to a specialist from the medical demographics laboratory where I work. My colleagues decided to send me. For an entire six days. Basically I worked there from morning until evening, and in my free time "got acquainted with a foreign country."

I have brought back a mass of scientific literature, computer programs, impressions, and one thousand francs—salary from the World Health Organization. According to existing regulations I did not have the right to spend this money, and so I handed it over to the USSR Ministry of Health.

[Semenov] What do you mean by "got acquainted with a foreign country"? Is this the first time you have been abroad?

[Irina] Alas, yes. Unless you count a trip with the "Sputnik" organization when I was a Komsomol [Leninist Communist Youth League] member.

[Semenov] Do you have children?

[Irina] Two daughters. Kseniya is 11, and Anastasiya—three and a half.

[Semenov] Must you seek material assistance from your parents?

[Irina] Yes. But what is one to do? As a senior research assistant and candidate of sciences, my monthly earnings amount to 400 rubles [R].

[Anatoliy] As senior lecturer in a clinical surgery department, I get a salary of R260. Working as the person on duty in the hospital and as emergency cardiovascular technician has provided good support. A few years ago they raised the salaries of doctors with surgical specialties, but left untouched those of department personnel engaged in the same work—and those who teach as well. But, quite frankly, I am attracted to this work by virtue of professional interest first, and only then because of the material benefits.

[Irina] We go to the same stores as everyone else, stand in the same lines...

[Semenov] Where you hear the most diverse things said about your parents...

[Anatoliy] Often it is fantasy. There is no need to refute them until they become insulting. Then too, denial is just going to become overgrown with new gossip. People with whom I am friends for many years have been calling me on the phone lately, and I can sense from their intonation that they have one purpose in mind—to check whether or not I am there, and not in London or some other place.

[Irina] Sometimes it is amusing, but at other times I feel a desire to sue for slander. But everything depends on the situation. It sometimes happens that colleagues narrate details of my life to me. In a funny way, of course.

[Semenov] Do you have friends? Do you often invite people to your home?

[Irina] Many friends remain in Stavropol. We used to correspond, but now it is seldom that we do so. It is the effect of the years and everyday family concerns. Most of our Moscow friends are doctors and surgeons.

[Semenov] Have you come across people who try to take advantage of their acquaintance with the daughter of a Politburo member, general secretary and president, for their own personal gain?

[Irina] Of course. Unfortunately, this happens. But I do not feel I have the right to get involved in such matters.

[Anatoliy] We try to spare our parents as much as possible. They react to literally everything. It is not that they are readily vulnerable people—simply that they cannot remain impartial to anything, whatever it may be.

[Semenov] Irina Mikhaylovna, are you a staunch adherent of your father's ideas?

[Irina] Absolutely. Perhaps this is the way I understand my duty as a daughter.

[Semenov] Anatoliy Olegovich, to the extent one can judge from folklore, the son-in-law—mother-in-law relationship has always been ambiguous. Would you refute this?

[Anatoliy] I relate to Raisa Maksimovna and Mikhail Sergeyevich as to my parents, and they treat me like a son. The attachment was strengthened with the move to Moscow, when I started seeing my own family less frequently.

I am always amazed by the high cultural level they each have. Naturally this leaves its mark on our everyday relationship. And although anything can happen in life, things with us take place calmly, without friction. They are not haughty people—they are accessible. Simple, normal people.

[Semenov] Does the status of children of the president afford you any privileges?

[Anatoliy] I am proud of the privilege of being close to such a man. But everyday privileges? They take us along to the Crimea when they go there for relaxation. When it happens.

[Semenov] There is no avoiding future "news" in your life story, but tell us briefly about your past.

[Irina] I was born in 1957. I received a gold medal on finishing school. It was just your ordinary high school. Then I entered the medical institute in Stavropol, but did not want to part from my parents. It was there I met my future husband. In April 1978 I married him, and in December we moved with my family to Moscow. I finished my studies at the Second Moscow Order of Lenin State Medical Institute, like my husband—with the one difference that I lag one year behind him because of the birth of our daughter. I worked as an assistant in the department. After our second daughter was born, I transferred to the medical demographics laboratory. I have no intention of writing a doctoral dissertation since I have no ambition in that area at all.

[Anatoliy] I am the same age as Irina. I was born in a small town in Krasnodar Kray. My mother is a doctor, a neuropathologist. My father worked all his life in oil and gas surveying and exploration. He is dead. I have a brother. After school I entered the institute. For 10 years now I have been working at the Moscow City Clinical Hospital No. 1 imeni N.I. Pirogov. I am a general surgeon, but specialize in cardiovascular pathology. I am a candidate of medical sciences.

Health Ministry Discusses Ryzhkov Recovery

PM0901163791 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p 1

[From roundup of IZVESTIYA, INTERFAX, REUTERS, POSTFACTUM, UPI, and SIBINFORM reports: "N. Ryzhkov's Condition Satisfactory"]

[Text] Because of citizens' numerous questions about N.I. Ryzhkov's status the USSR Ministry of Health has reported that on the 14th day after falling ill (myocardial infarction) his condition may be considered satisfactory.

The process of recovery is proceeding without complications. This has made it possible to begin extending the motor regime in recent days—a process which is being borne well. N.I. Ryzhkov has started walking about the ward.

'Fate of Glasnost' Linked With Paper Shortages

PM1001114391 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p 2

[Report by V. Romanyuk: "The Subscriber Has Overpaid; Who Is Next?"]

[Text] Alas, the current situation regarding the publication of newspapers and magazines is shaping up in such a way that subscription terms will most likely be revised. And then two options are possible: Either the subscriber will pay again or the publications will be subsidized out of the state budget. Which is highly problematic.

All in proper order, however. On the morning of 8 January 1991, when setting out for the news conference on the problems of supplying press publications with paper, being held at the CPSU Central Committee Press Center, I asked D. Plesser, deputy director of the IZVESTIYA Publishing House, how the situation was taking shape in our combine.

"Not too well," he replied succinctly. "Out of the declared requirement for 1991, 90 percent of the funds for paper have been allocated. At the same time, no contract has been signed with any of the suppliers. The combines are demanding 1,000 rubles [R] and more per tonne of paper, whereas the nominal sum paid by the subscriber was based on a price of R800 per tonne."

Addressing the news conference, V. Leontyev, director of the PRAVDA Publishing House, added to the picture, as it were. This publishing house has so far concluded just one contract for the supply of paper—with Uglegorsk Pulp and Paper Combine. They demanded—and got—R1,712 per tonne (in 1990 they accepted R684 per tonne). And see what "appetites" other combines have: Balakhna—R1,300 per tonne; Kondopoga—R1,019. Taking into account the financial injections into sociocultural measures funds, which paper manufacturers demand of the publishers, the cost per tonne of paper increases to R1,290-1,350.

So, has a mechanism been created to protect glasnost against pressure from monopolist paper manufacturers? V. Malygin, chief of a subdepartment of the USSR Gosplan [State Planning Committee], was unable to report anything definite in reply to this question from IZVESTIYA's correspondent: He merely promised to "inform the leadership of the USSR Gosplan."

It followed from a verbose report by I. Sankin, USSR first deputy minister of the timber industry, that soviets at all levels are to blame, for they are restricting the cutting of timber and its export outside the regions. The required quantity of spruce pulpwood does not exist, meaning there will be less paper. And yet the print runs of many publications have also been reduced. V. Malygin declared in this regard that the aim of a substantial reduction in print runs is not being confirmed. As for the paper distribution mechanism, nothing has changed in it.

A. Gorkovlyuk, deputy chairman of the USSR State Committee for the Press, resolutely disagreed with this assertion. Much has changed, and not in the subscriber's favor. Above all, the fact that contract prices for paper are being introduced. At the same time, on being registered, new publications do not, as a rule, raise the question of paper. This means that they have, of course, bought it at the market price. Precisely 171 private publications have emerged in the country, and they too get paper from somewhere and stockpile it, but the distribution system does not take them into account at all. Are these not the reasons for such hard pressure from the paper manufacturers, compared with the demands by mail workers, who have doubled the rates for delivering publications to subscribers, appear almost fair?

During the news conference many of the questions, of which people are sick and tired, are perfectly explained. For example, to maintain pulp and paper combine equipment in a fit state, it is necessary to purchase spare parts to a value of 180 million foreign currency rubles abroad. The government has not resolved this problem. But it is possible to secure this money by selling some of the paper on the world market that already partly leaks away we know not where. Then many of the paper manufacturers' demands will fall away. Probably we should also examine the question of whether it is sensible to switch paper to contract prices or whether it should be included on the list of products with a fixed price. We are talking of something of extreme importance—the fate of glasnost.

Wounded Leningrad Journalist Describes Shooting

PM1101093391 Moscow KOMSOMOLSKAYA PRAVDA in Russian 10 Jan 91 p 2

[Interview with investigative journalist Aleksandr Nevzorov by correspondent I. Potekhina in Leningrad; date not given; first nine paragraphs are introduction: "Aleksandr Nevzorov: 'I Too Have a Gun'"]

[Text] I have never in my life asked the following question: "Why do you think that you were not killed?" And pretended that an open bullet wound was a terribly funny thing.

But, damn it, I had to speak to him about it.

"Nevzorov was shot by his own people—it's a sham! You have to hang on to your popularity somehow."

"He really did shoot himself! What some people won't do to avoid a trial—he was, after all, about to be fined 50,000 rubles for disinformation."

"Professionals kill on the spot. The fact that he survived means that someone was simply settling a personal score with him."

And even:

"Was there a shooting? Who saw the bullet hole?"

Rumors are flying around the subway, the stores, and the newspapers. The pathological conviction that "it's all a lie!" is welling up like fog.

Just two weeks have passed since the shooting—and once again we're glued to our television sets. In order to spend "600 Seconds" every evening with Aleksandr Nevzorov. As if nothing had changed.

[Potekhina] Has there been no change?

[Nevzorov] For the first few days I shuddered to hear the latest tale about me. I felt very bad as a result of all these discussions. But now I'm calm. Not only because information has emerged from the examination and the investigation. I have simply realized that most of these rumors are being sent my way by the same people who fired the gun on that waste ground. They are pursuing one goal: to administer the coup de grace.

[Potekhina] The most surprising thing is that even in this situation there are people who envy you...

[Nevzorov] It is a more a case of their being terribly pained by the fact that I survived. You know, I feel as if they organized the assault and said: The helicopters won't be coming back. Do as you please but the mission must be accomplished. This mission is now being accomplished.

[Potekhina] Do you feel that you are being watched?

[Nevzorov] I feel malicious. In this state I am far more dangerous to my adversaries than before the shooting. When you find yourself face to face with an "assault," that doesn't make you aggressive but it produces a kind of all-out courage. I will not be able to face this with either resignation or composure. But I can and will go on to even bigger things...

[Potekhina] Excuse me, I am forced to ask this question. Why, nonetheless, did you survive? Why did the man on the waste ground not fire a second shot? Did something prevent him? Or did they simply want to teach you a lesson?

[Nevzorov] When people want to teach you a lesson they explain what for. I cannot even imagine the reason for the shooting. Even if I very much wanted to "turn over a new leaf," I could not guess what had enraged someone.

As for a second shot, imagine yourself in my place, I didn't have the slightest doubt that the deed had been done. I didn't even know before the ambulance arrived whether or not I was dead. I felt everything growing numb around the wound. I unfastened my jacket—I was aware of nothing. Everything was covered in blood. I was most curious as to whether the bullet had struck the heart or not.

The shooting was performed with the certainty of success. Everything was worked out very precisely. It was a stunning choice of meeting place: An automobile could be hidden behind the embankment and no one would pay the slightest attention to it. The gun was wrapped in a duster. That is why the noise was scarcely louder than a book falling to the floor in a corridor. I later heard this sound during the forensic experiment when shots were fired from a militiaman's operational pistol wrapped in a duster and fired through a folded greatcoat. I was, after all, also shot at pointblank range.

[Potekhina] Didn't you foresee the shooting even in the last few fractions of a second?

[Nevzorov] There was no indication there. No one struck a pose and shrieked at me: Die, wretch. A package was calmly held out to me with a friendly face. I wasn't even jabbed with it—it only just touched me. If the man had lifted the package to face level, I would have defended myself. But he just leveled the muzzle straight at my heart...

There is another reason why there couldn't have been another shot. (A subtle point an amateur would not have thought of in advance). The package over the weapon was not only there to make me suspicious. But also to ensure that no shell flew out and remained on the ground. And because no shell emerged, because it remained in the bolt, it was impossible to fire a second shot.

He just didn't count on me wearing a leather jacket causing the gun barrel to slip.

[Potekhina] ...This has given people an opportunity to say that you were suspiciously fortunate and that everything turned out too nicely: just like in your reports. You were shot, and at pointblank range. The bullet passed near everything but touched nothing.

[Nevzorov] I'm OK; everything turned out nicely! First, I was grazed! There's a host of lymph nodes in that area. Second, I was in no doubt at the time that these were my last moments. I was infinitely pained that they were passing in such an undistinguished manner. I was choked with rage that I had lost. If only I had wounded this scum or, even better, had left him there under the embankment... By the way, I can hit a shell with a carbine at 100 meters. And at 25 meters with a "Makarov." But I was unarmed.

When I realized that I could not avenge myself, I felt such a fool, such a disgusting, pitiful idiot! It is quite unendurable for me to be described as a "victim."

[Potekhina] But you did fire a shot?

[Nevzorov] I fired shots at him with an air gun—just to do something. I simply could not... Then he ran away, and the other five people did not come to his aid. I should have somehow notified my people who were waiting for me in the automobile. But my gun is deafening when fired.

[Potekhina] Why didn't you take any precautionary measures when preparing for this meeting? It was nighttime, the area was deserted... Anything could have happened.

[Nevzorov] At one time I and my best stuntman friend were riding across a field on horseback. There was a broad ditch in front of us. Should we jump it or not? He said: Why take vain risks? So we rode round it... But we have gone through alot together, through fire and water and he was perfectly well aware of my value. But if some woman had been by my side looking at me with enthusiasm, I would naturally have jumped!

Well, what was there for me to do: call the militia and surround the area in response to a quite calm and fairly ordinary telephone call! Especially since the documents the man had promised to hand over were indeed priceless. It was not just a matter of compromising material regarding certain high-ranking people. It would have explained the nonsense and the nightmare that surrounds us. I would go again if I received the same offer again.

[Potekhina] Nevertheless neither you nor the investigation have as yet been able to work out the source of the danger or who it is that sees your very existence as an obstacle. [Nevzorov] Let us not anticipate things. The only thing that I can say is that Minister Poltoranin, who said that this is a matter for the KGB, is wrong. Although he also said that he based his conclysion from our discussion. If the KGB were mixed up in this, the man would have disappeared without trace. Those guys do everything professionally. This is more a case of someone's private initiative. But whose?

Rail Official Views 'Critical State' of Tracks

LD1001114491 Moscow TASS in English 1024 GMT 10 Jan 91

[By TASS correspondent Anatoliy Dragan]

[Text] Moscow January 10 TASS - "The rail tracks—the rails proper, ties and switches—are in a critical state," Nikolay Mitin, head of the main track board of the Soviet Ministry of Railways, told TASS, commenting on the increasingly frequent accidents caused by the wear and tear of components of the track superstructure.

It is essential to urgently replace tens of the thousands of kilometres of rails and ties and one thousand switches that have already endured the maximum permissible number of trains and are worn out beyond any regulative norms, Mitin said.

The percentage of faulty components, i.e. those that have exceeded their service life, equals that observed in 1945—the most unfavourable year in this respect, he added.

"People's lives depend on officials in state committees for planning and material and technical supply, who for years have been ignoring our urgent requirements. It is they who bear the majority of responsibility for the technical condition of rail tracks, not frosts, rains, snowfalls or corrosion.

"Wooden ties are the scarcest item. Last year the USSR State Planning Committee said that we were to receive 22 million ties, but the actual amount we received fell ten million ties short of that number," Mitin said.

Rail Minister Details Unloaded Freight

LD1001232791

[Editorial Report] Moscow Radio Rossii Network in Russian at 1145 GMT on 10 January carries a 3 and 1/2-minute interview by a Radio Rossii correspondent with USSR Railway Minister Konarev during an interval at the session of the extraordinary commission on foodstuffs.

Konarev talks about the problems of unloading railway cars containing food. He says that on 8 January on the whole territory of the Russian Soviet Federated Socialist Republic 1,247 railcars containing foodstuffs had not been unloaded, of which 440 contained meat and butter, 536 fruit and vegetables, and 263 fish and fish products. In Moscow on 9 January, 485 cars containing food had not been unloaded. The situation is no better in Sverdlovsk or Perm. In Ufa four railcars of flour have been waiting for unloading since 4 January. In Kemerovo two groups of car loads of apples, 12 in total, have been waiting for unloading since 3 and 6 January. People are not working and are showing irresponsibility. They should be made accountable for this irresponsibility, as it is a crime that there is no food in the shops while it rots in railway cars, Konarev says.

Counterfeiting Gang Exposed in Omsk

PM1101111191 Moscow IZVESTIYA in Russian
10 Jan 91 Union Edition p 6

[Report by correspondent S. Suslikov: "West German Marks Being 'Printed' in Omsk"]

[Text] The Omsk chekists have arrested a group of counterfeiters from whom they confiscated copies of tsarist gold coins depicting Czar Nicholas II as well as engraving plates for printing FRG banknotes in 100 Mark denominations plus weapons, foreign currency, and false passports.

As your IZVESTIYA correspondent was told at the Omsk Oblast KGB Administration, at the beginning of last year the chekists noticed some Omsk residents who had traveled abroad a number of times and who maintained close contacts with people who had been convicted of illegal currency dealing and smuggling. The case of the counterfeiters has been passed to the prosecutor's office and the investigation is continuing.

Economy Heads Deputies' 1991 Concerns

91UN0633A Moscow IZVESTIYA in Russian
1 Jan 90 Union Edition p 1

[Article by N. Betaneli, candidate of psychological sciences, and A. Grigoryev and L. Zenkova, candidates of historical sciences: "Year of the Market—Forecast of People's Deputies"]

[Text] The independent Institute of Parliamentary Sociology conducted a poll of 180 USSR people's deputies, members of the Union parliament. The deputies shared their impressions with the scientists about how the situation will develop in the country in the new year of 1991. They noted in their forecast both those problems that will be resolved successfully and those that, in their view, may get worse during the year. Today we cite some of the results of this research.

"The year of the market." It was under the sign of entry into a market economic model—contrary to all Eastern and Western calendars—that the year 1991 came to the Soviet Union. It is no accident that 51 percent of the responding deputies agreed that the socioeconomic situation in the country, apparently, will remain the number one problem in the new year as well.

The deputies associate the market with more than just hopes of getting out of the curren economic crisis. In their opinion, the transition to a market model can also exacerbate such questions as economic inequality, lack of social protection, employment, and a drop in the standard of living of the population. The correlation of hopes and anxieties, support and opposition, and, on the whole, the effectiveness of the economic policy of the state, judging by the assessments of the deputies, will depend on the resolution of food problems, the arrangement of flexible economic ties, the consistency of the movement to a market, and how skillfully the system of economic incentives is put into effect.

Against the background of these problems, the deputies also note others: For example, 9.4 percent of the deputies participating in the poll believe that it will not be possible to avoid a certain intensification of the shadow economy, organized crime, and, overall, an increase in the number of infringements of the law. It is assumed that some of the laws that were adopted in past years, their consistent implementation, and the fight for law, order and legality will serve as a barrier here.

The culmination of the internal political tension could be the intensification of centrifugal tendencies, a worsening of mutual center-republic relations, and the formulation on the part of some republics implementing the right of secession from the USSR.

Stabilization factors. Analyzing the possible political and legal measures for the stabilization of the situation in the country, the deputies first of all recommend strengthening discipline and order (67 percent), ensuring undeviating execution of adopted laws (65 percent), and adoption of a new Union treaty (60 percent).

In general, do the forecasts of the deputies themselves come true? At the Second Congress of USSR People's Deputies at the end of 1989 we proposed that the people's elected representatives play the role of futurologists and predict the development of events in 1990.

Out of more than 1,000 individual opinions, this is the picture that evolved:

Feelings of anxiety and concern were clearly predominant in the forecasts. They expected a deficit in the economy, difficulties with food products, and inflation. In the political sphere, they expected worsening mutual relations inside the CPSU and a lessening of its role, the development of discussions on a new Union treaty, and tensions between the center and the republics. The deputies were no less greatly disturbed by such problems as by the continuation of existing and the development of new interethnic conflicts, the lack of protection for workers and the poor strata of society in the face of economic reforms, and an increase in crime and the shadow economy.

We will let the reader judge the extent the deputies' forecast was justified.

Moscow Newspaper Criticized for Fake Interviews

PM1101123991 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p4

[Yu. Sokolov "Rejoinder": "Between Us Newspapers"]

[Text] The new Moscow newspaper KURANTY carried interviews with the following well-known persons in its New Year issue: M.S. Gorbachev, A.I. Lukyanov, A. Chumak, A. Pugacheva, V. Zaytsev, and N. Shmelev....

It packed its New Year cracker with popularity, so to speak.

The most diverse questions, covering everything from social issues to intimate details, were asked in these interviews and received appropriate responses. For example: What do you like to drink, Anatoliy Ivanovich?

"Vodka," he replied. "I can't afford cognac."

In response to a question about how the country should be brought to order, Nikolay Shmelev said:

"Put the whole lot behind bars!"

And so on. All in the same confiding manner.

The joke—all the protagonists are, in fact, namesakes—is apparent virtually from the start and is explained at the end. Anyway, in principle, why should the newspaper not play a practical joke? It is the New Year, after all! A time of fir trees, mummers, carols, and sparklers....

Unfortunately, this surprise-packed newspaper issue goes far beyond both parody and good taste. The "Law on the Press" was not adopted so that this could happen; dissidents did not do time in jail so that others could be totally free with their words. And the intention was certainly not that some readers and citizens —a considerable number, unfortunately—could leap up again and cry:

"There you are, you see! That's how your famous freedom of speech is interpreted by your democratic forces! That's how our country's paper is being used! No wonder there's not enough around to print money! If only 'Iron Feliks' [Dzerzhinskiy] were to rise from the ashes!"

No, we are incapable of being civilized, however hard we try! Some get sozzled at the first opportunity and others "shake off all inhibitions" with exactly the same effect.

By setting up and publishing these interviews, KURANTY has cast itself, its founder—the Moscow City Soviet, and, because of the knock-on effect, the new press—rather than Gorbachev, Shmelev, and the others—in the role of hooligans from our own backyard rather than classical fighters.

After all, whereas the mass media have something to fight for, go to court for, and even swallow the bitter pill of dismissal for, with the publication or broadcasting (or non-broadcasting, as the case may be) of any hard-hitting, "unpublishable" material, the publication of boorishness and over-familiarity turns a noble struggle against social pestilence into the kind of feast held in days of old. A free-for-all, with everything lumped together any old how, tarring [and feathering], demonstrations outside "mother-in-law's windows" [taunting to produce some sort of response], and other provincial amusements.

CPSU Survey Finds Positive View of Lenin

LD0401162891 Moscow Radio Rossii Network in Russian 1100 GMT 4 Jan 91

[Text] A survey has been carried out in our country covering representatives of all the main strata of the population. The CPSU research center and the independent center for social forecasting have tried to find out what most people think about Vladimir Ilyich Lenin.

The results of their data are as follows: Just over 59 percent of those questioned gave a fully positive assessment of Vladimir Ilyich, while slightly more than 10 percent responded negatively.

I was surprised most of all by the sociologists' conclusion that the following view was widespread and current in society: The transition to the market and the country's foreign policy course, meaning perestroyka and democratization, are in accordance with Lenin's ideas. It seems to me that these results are part of a phenomenon well known to every social psychologist. Simply recall the actions of just about all Soviet leaders since Lenin. Their—let's put it mildly—mistakes have been presented by historians and later politicians as deviations from the Leninist ideal, as distortions of it. Consequently, Lenin's ideas for the structure of society and his view of the world have become a kind of symbol of faith in a better, more worthwhile life.

But, following the latest facts, since some new documents have been subjected to glasnost, additional light has been shed on the activities of Vladimir Ilyich. One may recall the letter to the members of the Central Committee—a letter that has been preserved in only the original and was not copied—about the need to repress priests, resulting in the death of several tens, if not hundreds, of thousands of priests. There is also the note about tough retaliatory measures against those taking part in revolts and uprisings in various towns, indicating the precise number of those to be shot.

A whole series of these documents was published last year in the editions of some journals. But a vast quantity of documents from the archives of the October Revolution concerning the activities of the leader of the world proletariat in emigration and in Russia still remain secret. It seems that a definite and complete appraisal of Lenin, that undoubtedly unusual man, will be given only in the future.

People's Congress Makes Judicial Appointments

91UN0623A Moscow IZVESTIYA in Russian 29 Dec 90 Union Edition p 2

[USSR Congress of People's Deputies decree "On the Election of a Chairman of the USSR Higher Court of Arbitration and on the Confirmation of a USSR General Procurator" issued on 27 December in Moscow]

[Text]

On the Election of a Chairman of the USSR Higher Court of Arbitration

Having examined the representation of the president of the USSR, the USSR Congress of People's Deputies decrees:

1. To elect Comrade Veniamin Fedorovich Yakovlev as chairman of the USSR Higher Court of Arbitration.

2. To entrust Comrade V.F. Yakovlev with the powers of USSR chief state arbiter pending formation of a USSR Higher Court of Arbitration.

[Signed] A. Lukyanov, chairman of the USSR Supreme Soviet

[Dated] Moscow, the Kremlin, 27 December 1990

On the Confirmation of a USSR General Procurator

Having examined the representation of the president of the USSR, the USSR Congress of People's Deputies decrees:

To confirm Comrade Nikolay Semenovich Trubin as USSR general procurator.

[Signed] A. Lukyanov, chairman of the USSR Supreme Soviet

[Dated] Moscow, the Kremlin, 27 December 1990

Customs Duty Abolished on Foreign Food Shipments

PM1101110991 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 6

[Unattributed report: "Food Parcels: Customs Give Go-Ahead"]

[Text] IZVESTIYA (issue 3 of this year) published a letter from A. Volk of Vladikavkaz who proposed that the levying of customs duty on food parcels from abroad be stopped. As we were told at the press service of the USSR Council of Ministers Main Administration of State Customs Control, a decision has been adopted helping to create favorable conditions for the development of charitable activity.

This decision went into force on 5 December and is aimed at ensuring the customs-free passage of items for personal consumption for charitable purposes.

Henceforth (until a special directive) items for personal consumption including food and consumer goods sent in international postal packages shall be free of duty. These include parcels imported for charitable purposes by people traveling across the USSR state border.

A decision has also been adopted to enable citizens to import, free of duty, gifts worth up to 1000 rubles at state retail prices (or in the absence of such prices at commission trade prices). Previously this sum was set at half that amount. For relatives traveling as a group, the value of such gifts shall be combined. Gifts of a higher value, however, may be imported on payment of customs duty.

Manayenkov Stresses CPSU's Vitality

LD1001222191 Moscow TASS in English 1203 GMT 10 Jan 91

[Text] Moscow January 10 TASS—The Soviet Communist Party remains the most authoritative political force in Soviet society, Secretary of the CPSU Central Committee Yuriy Manayenkov told the weekly GLASNOST published today.

The influx of fresh forces to the CPSU is unstoppable. Over nine months of the past year alone 173,000 and 92,000 people became full and candidate members respectively. This is roughly 50-100 per cent more than the aggregate membership of all alternative parties, he said.

Speaking about the forthcoming registration of the CPSU charter, Manayenkov stressed that this act, providing a legal basis for the party's existence and activity, calls for making certain adjustments, primarily, enhancing the party's accountability before the people.

In addition, there is a need for radically rethinking party work, for reevaluating many values in light of changes in society and the party itself, including the forms, methods and the contents of its activity. It is also necessary to prove by deeds that party's policy interests and benefits the people, that it is necessary.

The thesis of class struggle did not win fame for the state and party leaders who espoused it, or for the country and people, Manayenkov said. Therefore one should move away from everything that does not serve social and national consolidation and think about future.

Manayenkov stressed that party registration will give legal protection to the party against encroachments on its prestige, and property, and on the honour and dignity of Communists. This action is necessary because speculative insinuations, such as allegations about the fabulous wealth of the CPSU, are not subsiding.

Asked if the communist parties of Union republics, members of the Soviet Union Communist Party, must register at the republican justice departments, Manayenkov said that they are free to act as they see fit.

Economic

Decree on Urgent Measures To Improve Food Supply

LD1001215191 Moscow PRAVDA in Russian
11 Jan 91 Second Edition p 1

[Presidential Decree signed by President M.S. Gorbachev on 10 January: "On Urgent Measures to Improve the Food Situation in 1991"]

[Text] With the aim of organizing the reliable supply of foodstuffs to the population I resolve:

1. To confirm the program of urgent measures for improving the situation regarding foodstufs in 1991, developed by the USSR Government together with the governments of the Union republics and approved by the Federation Council. The USSR Government, the governments of the republics, and the executive committees of local soviets of people's deputies are to quickly develop practical work for implementing the program indicated and the economic agreement between the USSR and the Union republics on questions of the supply of foodstuffs and agricultural raw materials in 1991.

2. The Union republic currency committee is to adopt by 1 February the necessary decision on allocating hard currency to purchase abroad foodstuffs and raw materials in 1991 in short supply to fulfill the output volume for food products set forth by the program.

3. The republics' governments and the executive committees of local soviets of people's deputies are to insure, proceeding from the structure and the level of food product consumption which have formed in every region and the availability of resources, the guaranteed sale of basic foodstuffs through the retail trade network for every inhabitant. In implementing this work they are to envisage specific measures for the social protection of children, participants in the war, and also invalids, pensioners, and other less well-off sections of the population. They are to organize appropriate public meals in workers' and student canteens, schools, children's and medical institutions; they are to place personal responsibility for bringing foodstuffs to the consumer on the leaders of the local bodies of authority and administration.

4. With a view to insuring uninterrrupted supplies of food to the all-Union and republican stocks, to creating necessary buffer reserves, the Union republics are to introduce for the year 1991 state order or other forms of compulsory deliveries of agricultural produce to state resources for all landowners and land users engaged in marketable agricultural production, and payment for this produce is to be made at state purchase prices. The produce which remains after compulsory deliveries have been fulfilled is to be freely marketed by collective farms, state farms, and other rural commodity producers on the consumer market.

5. For examining the problems which arise in the course of the fulfillment of the program of urgent measures to improve the food situation and the economic agreement between the USSR and the Union republics on matters of deliveries of food and agricultural raw materials in 1991 and also promptly resolving other problems, a conciliation commission is to be formed attached to the USSR Government headed by the first deputy chairman of the USSR Government, including deputy chairmen of the governments of the Union republics and also leading officials of the USSR ministries and departments concerned.

The USSR Government, after having come to an agreement with the governments of the Union republics, is to approve within a period of 10 days the membership of the above-mentioned commission.

6. It is deemed necessary to refer to the USSR Supreme Court of Arbitration the examination of disputes arising in the conclusion, change, execution, and cancellation of contracts for the delivery of food and agricultural raw materials to the all-Union and republican stocks, and also of other disputes arising from the economic agreement between the USSR and the Union republics on the matter of deliveries of food and agricultural raw materials in 1991.

The decision being taken by the USSR Supreme Court of Arbitration on the above-mentioned issues are to be carried out unswervingly by all enterprises, organizatiaons, and institutions of the USSR and the Union republics.

It is deemed expedient to establish the strict administrative liability of officials for the nonfulfillment of obligations for the delivery of food and agricultural raw materials to the all-Union and republic stocks. The USSR Government is to submit to the Supreme Soviet a draft law on problems envisaged by the present article.

[Signed] USSR President M.S. Gorbachev
10 January 1991

Stroyev News Conference on Food Situation

Gorbachev To Issue Decree

PM1001150591 Moscow PRAVDA in Russian 10 Jan 91 Second Edition p 2

[TASS report: "About Daily Bread Again"]

[Text] Ye. Stroyev, member of the Politburo and the CPSU Central Committee secretary in charge of party agrarian policy, stated at a 9 January Moscow press conference that Soviet agricultural production and food purchases from abroad will make it possible not to cut the level of the population's food consumption, "although overall difficulties as regards supply will, of course, continue."

He stressed that last year the highest grain harvest in the country's history was collected—237-240 million tonnes. This allows us to state that we will have no famine. In terms of meat and milk sales to the state we have reached the level of the past few years.

Moreover, as Ye. Stroyev put it, a special program for USSR food supplies in 1991 has been elaborated. Agreements have been concluded between virtually all republics and the center regarding deliveries of all types of food to union republic stocks. "Clearly, in the next day or two there will be a special decree from President M.S. Gorbachev on these issues," the Central Committee secretary added. Dwelling on the prospects for developing the country's agrarian complex, he also talked about the forthcoming reorganization of its management structure. "A new structure will be ratified in the very near future. A ministry of agriculture will be created," Ye. Stroyev reported.

The representative of the party leadership categorically denied the suggestion that there has allegedly been a food "blockade" of the USSR's "democratic centers." "I know of no such blockade. Nobody can deliberately do this today," he said.

On Food Imports Scale

PM1001150991 Moscow KOMSOMOLSKAYA PRAVDA in Russian 10 Jan 91 p 2

[N. Tkacheva report: "There Will Be No Famine"]

[Text] This was the assurance given to Soviet and foreign journalists by Ye.S. Stroyev, member of the Politburo and secretary of the CPSU Central Committee, at a news conference devoted to the food situation in the country.

According to Yegor Semenovich, a grain harvest of 237-240 million tonnes—a record in the state's history—was brought in last year in the USSR. This will make it possible to cut grain imports this year by 30 percent. Milk and meat procurements abroad will remain at roughly the level of past years. Some 1.4 million tonnes of meat and 12 million tonnes of milk will be bought in.

There will be no reduction in supplies of food from the republics to union stocks. The Baltic republics were among the first to conclude contracts to supply meat and milk in exchange for feed products.

As for humanitarian aid, as of 8 January the country had received 16,400 tonnes of foodstuffs within this framework. For comparison's sake: Moscow consumes 23,000 tonnes of food per day.

Investment Bank Makes 'Record' Profits

PM0901095991 Moscow IZVESTIYA in Russian 8 Jan 91 Union Edition p 2

[Report by G. Charodeyev: "CEMA and Convertible Currency"]

[Text] As of January, CEMA countries are introducing transactions in freely convertible currency. Is the International Investment Bank—an important source of funding new building or the rebuilding of existing production facilities in socialist countries—ready for this? This was the question IZVESTIYA's correspondent put to Doctor of Economic Sciences V. Zholobov, the International Investment Bank Board's senior secretary in Moscow.

[Zholobov] According to preliminary figures as at 1 January 1991, the International Investment Bank's profits (in convertible currency alone) had increased seven percent in comparison with the previous period and reached a record level of $55 million. You will agree that there are not that many commercial establishments in Moscow with a staff of 200 that generate this kind of hard-currency revenue annually.

By and large the market situation is characterized by instability and wavering with regard to East European borrowers. Despite this, the International Investment Bank has developed excellent relations through its agents with leading banks in the FRG, Britain, France, the United States, and Japan. We have always been governed by the laws of this market when mobilizing funds in the West. For instance, our bank's leaders are no different from "foreign currency traders" in Frankfurt, London, New York, or Tokyo. We use the same methods in our currency operations and the same principles in our work based on personal knowledge of and trust in our partners.

Today we have problems like any dynamically developing organization. In particular, united Germany is no longer a member of the International Investment Bank. In this context, the bank's leadership intends to visit this country and sign an appropriate agreement in the near future.

We have no doubts as to the future of the International Investment Bank. There is every reason for thinking this—considerable paid capital in convertible currency, good profitability, the supreme effectiveness of projects for which credit is provided, and the skilled apparatus of bank specialists. Over the coming years we intend to perform our activity in cooperation with member countries and with due consideration for the changing situation in the sphere of the world economy and finance.

Planned Foreign Currency Exchanges Detailed

914A0263A Moscow IZVESTIYA in Russian
3 January 91 Union Edition p 1

[Article by A. Glebova, POSTFAKTUM Agency: "A Foreign Currency Exchange: A Beginning in Moscow"]

[Text] **The USSR Council of Ministers decree (No 776) "On Measures To Form an All-Union Foreign Currency Market" went into effect on 1 January 1991. The decree envisages the creation in Moscow of an All-Union Foreign Currency Exchange and a network of republic and regional foreign currency exchanges.**

A few specialists (for the most part associates of the USSR Bank for Foreign Economic Relations, the USSR Gosbank [State Bank], and the State Foreign Economic Commission under the USSR Council of Ministers) believe that an exchange will contribute to the democratization of the system of redistribution of foreign currency resources and consolidation of a unified banking and financial system for the country; the creation of a network of foreign currency exchanges will permit redistribution of foreign currency to enterprises purchasing TNP [consumer goods] under market conditions and also reveal the real rate of exchange of the ruble, necessary for the next step—introducing convertibility of the ruble.

Supporting a stable rate of exchange for the national currency provides stability for the economy. A foreign currency market, that is part foreign currency exchange, is the most regulated market of all. The basis of the regulation is the clear banking and currency legislation and rules which guide the sphere of monetary circulation and without which there is neither business nor an exchange. The state of the foreign currency market will be evaluated in coordination with indicators of the level of unemployment, the money supply, and the rate of growth of industrial production—that is to say, as part of the basic macroeconomic indicators.

The USSR proposes to limit trade of SKV [freely convertible currency] only to institutions that receive a state license to conduct operations with foreign currency (authorized commercial banks and qualified broker organizations). The status of the exchange is that of a joint-stock society with the controlling block of shares belonging to the USSR Gosbank. The stockholders are the Bank for Foreign Economic Relations and the 15 republic banks of the USSR Gosbank.

The charter of the joint-stock society of the All-Union Foreign Currency Exchange, situated in Moscow, has been worked out by specialists of the foreign currency-economic administration of the USSR Gosbank (according to other reports, by the Bank for Foreign Economic Relations). It is a model for the creation of regional and republic exchanges. The founders of the exchange may be the USSR Gosbank and the republic banks, transformed into commercial banks and appearing as authorized agents of the USSR Bank for Foreign Economic Relations (that is to say, having received a license to conduct operations with foreign currency—to take part in interbank foreign currency circulation, to conduct retail trade of foreign currency, and to create a system of foreign currency trade—an exchange).

Aleksandr Potemkin, chief of the department of foreign currency auction of the USSR Bank for Foreign Economic Relations and member of the auction committee of the USSR Bank for Foreign Economic Relations, believes that at the initial stage the Soviet foreign currency exchange will work as a large foreign currency auction. Its significant distinction is the presence of mediator-brokers whose functions for the most part will be carried out by commercial banks not allowed to participant in foreign currency auctions.

Demand for Foreign Currency Ruble Increases

PM1101112691 Moscow IZVESTIYA in Russian
10 Jan 91 Union Edition p 2

[Article by I. Zhagel: "Rise in Speculative Demand for Foreign Currency"]

[Text] The first foreign currency auction of the current year took place at the USSR Bank for Foreign Economic Activity 8 January.

It was marked by a further increase in the gap between supply and demand. In other words the number of those wishing to buy foreign currency considerably exceeded—by more than three times—the number of vendors.

In the opinion of USSR Gosbank [State Bank] specialists, the situation is aggravated by discussions which have gone on everywhere about the possibility of monetary reform. In this situation, the desire of enterprises and organizations to convert their income into a currency harder than our ordinary ruble, is natural. And those who do possess it are in no hurry to part with it!

In all about 20 million foreign currency rubles were offered for sale, considerably less than at previous foreign currency auctions. Those several millions—the USSR Gosbank refused to name a more definite sum, claiming the right to silence for commercial reasons—unloaded on the auction from central sources did not have a significant effect on the satisfaction of demand. However, it is obvious that today when the foreign currency market is only just coming into being, state intervention should be more sizeable.

As far as the selling rate is concerned, one foreign currency ruble corresponded to 13.7 ordinary rubles. This rate was fixed by the usual method for current auctions, according to which it is equivalent to a value midway between the minimum bid price and the maximum offer price.

Of course such a system is far from ideal. And a realistic rate of exchange for the ruble will only be fixed with the transformation of occasional foreign currency auctions into continuously working ones, and the organization and opening of a foreign exchange market. And this event, according to A. Voytenkov, deputy chief of the USSR Gosbank foreign currency administration, is expected as early as the end of February or in March of this year. In any case the preparatory work is in the final stages.

A. Voytenkov asked for this fact to be given special emphasis as, in several publications, there have been reports, citing Gosbank employees, putting back the foreign exchange market's opening until fall at the earliest. Such unchecked information may elicit further speculative demand for foreign currency, artificially raising its rate of exchange.

Official on Contract, Supply Problems

914A0281A Moscow TRUD in Russian 8 Jan 91 pp 1, 2

[Interview with P.I. Mostovoy, deputy chairman of the USSR Council of Ministers and chairman of the USSR Gossnab, by TRUD political observer V. Golovachev; place and date not given: "Economy and Anarchy Are Incompatible: How to Overcome the Contractual Crisis in the National Economy"]

[Text] **The stabilization of the economy, vitally necessary today, is unthinkable without stable economic ties and contracts for the delivery of products, necessary for any enterprise in the country to function. Yet by the end of November of last year an extremely alarming situation had developed: Only about half of the economic contracts had been concluded in the country. All branches of the national economy could end up in a critical condition. On 14 December the USSR president signed an ukase which earmarked concrete, immediate measures for preventing the disorganization of production. How is this ukase being fulfilled? How will this affect the conclusion of contracts now? These are the questions with which we began our conversation with P.I. Mostovoy, deputy chairman of the USSR Council of Ministers and chairman of the USSR Gossnab [State Committee for Material and Technical Supply].**

[Mostovoy] Today we have basically managed to overcome the "contractual crisis," although there are still many problems remaining. For the delivery of products for production and technical purposes 77 percent of the contracts for 1991 have been concluded, and for the first quarter—about 90 percent. This is marked progress, although we have not yet reached the level of conclusion of contracts necessary for the rhythmic operation of industry. The conclusion of contracts is continuing. I gave the figures as of 25 December of last year. We do not have more recent ones but I think that today the level of legally documented economic ties is much higher.

[Golovachev] Pavel Ivanovich, what was there a "contractual crisis" last year anyway?

[Mostovoy] There were several reasons. Speaking generally, the country was not well prepared to change over to market relations. And concretely this is how it was expressed. For a very long time we were unable to figure out the state order. There were lengthy, exhausting discussions with ministries, enterprises, and republics about what to include in the state order and what not to. Although in principle, in my view, there are no special problems here. The state order should include everything necessary for achieving general state goals (providing for the needs of agriculture, the petroleum workers, light industry, transportation, communications, defense, exports, the production of goods for the population, the creation of state reserves, and so forth). This also includes the Chernobyl and Aral problems. As long as there was no state order, the enterprises were in no hurry to conclude contracts.

At the same time other processes were developing, exerting a marked and extremely negative influence on the country's economy. At the republic level right and left they began to distribute resources and products of enterprises located in the regions. As a rule, this was done without coordinating with the planning organs or the enterprises themselves. Thus the enterprises came under the strongest pressure from the republic and local authorities, and this turned out to be much stronger than that of the "dictatorship of the center" mentioned so frequently today. But the main thing was that at the same time ties that had been developing over many years were destroyed and the economic fabric of the national economic complex was destroyed.

[Golovachev] But the enterprises could also refuse to do this?

[Mostovoy] Theoretically, yes. But everything was different in practice. Not only the republic but also the oblast and city authorities dictated their will. For example, the ispolkom [executive committee] of the oblast soviet would tell the recalcitrant enterprise: "If you do not want to obey our decisions, all right, we will turn off your electricity, heat, and gas, and we will halt the supply of food products..." There are many examples like this.

I will say frankly that I was struck by how easy it during universal euphoria to distribute raw and processed materials, batching items, and products from plants, combines, and factories. Millions of tons of rolled metal, pipes, and cement, millions of cubic meters of timber... But all these products are directly involved in the national economic complex, and producing them takes raw materials, electric energy, fuel, metal, plastics, and so forth, which are delivered from all regions of the country.

Republic and local state orders were also established. If all these were put together they would frequently amount to 1.5 times more than the plant capacities would allow. It was a no-win situation for the enterprises. Moreover, when planning to gather up the future products from the enterprises, they did not think about who would deliver to them all that was necessary for producing these products.

The destruction of economic ties caused the economy to be on the verge of paralysis. It is understandable that under monopolies, the halting of deliveries of even some unimportant part or raw or processed materials means shutting down a large number of plants throughout the country. It turned out that to arrange tens of thousands of ties under the conditions of a dictatorship of the monopoly holders is quite a complicated affair. This is why people were sympathetic to the ukase of the USSR president "On Measures for Preventing Disorganization of Production Because of the Unsatisfactory Condition of the Conclusion of Economic Contracts for the Delivery of Products in 1991." It is very important that in the first quarter of this year we extended the contracts that were concluded for the corresponding period of 1990 in the same volumes and products lists. There was no other way out given the anarchy and destruction that had been created.

[Golovachev] When speaking of the causes of the "contractual crisis" we somehow failed to consider the activity of the enterprises themselves. But frequently they too contribute to the destruction of existing ties. Take, for example, the pulp and paper combines. They unexpectedly, even after the completion of subscriptions to newspapers and magazines, inflated prices of paper, taking advantage of their monopolistic position, from 260 rubles [R] last year to R1,500 this year, or by a factor of six. When calculating wholesale prices specialists of the USSR Goskomtsen [State Committee for Prices] also included an increase in the cost of paper, but it was only approximately doubled. The editorial offices proceeded from this when setting the new prices for newspapers. Naturally, after the maneuver of the pulp and paper combines the publishing houses were deprived of the possibility of concluding contracts...

[Mostovoy] Here we see a clear example of the selfishness of the pulp and paper combines, setting their affairs in order by excessively inflating prices. There are many examples of this kind of selfishness on the part of monopolistic enterprises in other branches as well. Therefore I think that during the current transitional period we must resort to establishing a ceiling to price increases, at least until the market really starts to function.

[Golovachev] But there is another reason why the economic contracts were not concluded: Certain enterprises were not provided with import deliveries, making it impossible to produce products. This is discussed in letters received in the editorial offices...

[Mostovoy] Yes, that might be one of the most painful problems. The technology at many enterprises includes import deliveries, and our situation with respect to hard currency today is not the best. But at the same time we are spending it very inefficiently. When they have hard currency at their disposal, many enterprises and associations frequently do not spend it wisely.

This year for the first time in our country's practice we are departing from strictly centralized use of hard currency. It has been placed at the disposal of the republics, export enterprises, and the state. There is no doubt that at first it worsened the situation with respect to purchasing raw materials, processed materials, and batching items for many enterprises. The Union-Republic Currency Committee was created to coordinate reasonable use of hard currency. At the same time everyone must understand: To buy imported products one must export products. And over the past year there has been hardly a branch and almost no enterprises that have fulfilled the plan for exports. The level of export deliveries is 10-15 percent lower than the level for the country. That has not been the case for a long time. Interstate export deliveries have always been a "sacred" business.

At the same time many associations, enterprises, and also certain local authority organs, while failing to fulfill the plans for the delivery of products within the country, are using any means (frequently without licenses) to deliver a large quantity of products abroad through so-called barter transactions. These include millions of tons of petroleum and fuel oil, hundreds of thousands of tons of rolled metal, mineral fertilizers and chemicals that are in extremely short supply, millions of cubic meters of timber materials, coking coal, nonferrous metals... And in exchange they receive items that are not necessities. These include video tape recorders, video cassettes, television and radio equipment, cameras, and motor vehicles—Mercedes and Toyotas.

In general, barter transactions are extremely ineffective for the country. During nine months of last year enterprises and ministries shipped R1.2 billion worth of goods from the USSR, and in exchange received goods worth about half as much (R0.67 billion). Before long these notorious tape recorders could ruin the country.

I think during a difficult time for Russia, the collectives of enterprises could come to the country's aid. Look at what is happening. If, for example, we cannot provide a total of R1.7 billion worth of imports for light industry, the losses in the national economy will amount to R60 billion. The situation is similar in other branches. Let each collective decide for itself which is more important: the interests of the country, or cars and video systems...

[Golovachev] What is the role of the USSR Gossnab in the present difficult situation?

[Mostovoy] We perform primarily the functions of intermediaries. When the enterprises have understood that they cannot stay afloat alone (and at the time when the contracts were being concluded in the local areas many suppliers asked exorbitant prices and began to engage in extortion, even with hard currency), the directors began to come to us saying: Help! But we had already become involved in the work long before that, having decided basically to act at our own risk. For today we have no administrative functions and you cannot get anything accomplished with orders. We took another route: We called in the leaders of the enterprises and suggested that they conclude contracts with their associates for the delivery of products under mutually acceptable conditions, and in exchange we guaranteed the supply of the necessary resources. Of course, there was a risk: We do not have enough supplies of our own and the guarantees could be left hanging. But we managed to create a closed chain anyway, and all the guarantees were backed up with contracts. From 19 November through 29 December 1,320 of the largest enterprises which determine the policy in the national economy went through the USSR Gossnab. Contracts were concluded for R137 billion.

I would especially like to mention the large role played by the USSR president. Mikhail Sergeyevich Gorbachev conducted active negotiations with the republics, persuaded them, presented precise arguments, and this along with the publication of the ukase made it possible to get the contract campaign rolling.

[Golovachev] It is known that some ukases of the USSR president are not always fulfilled. What will happen if the enterprises do not pay any attention to the ukase of 14 December?

[Mostovoy] Then the arbitration board will impose fines in the enterprise. The material losses will be quite appreciable. So the collective will stand to lose. For the sake of objectivity one should say that the USSR State Board of Arbitration (Comrade V.N. Isaychev) is frequently unprincipled and the arbitrators of Ryazan, Tula, Arkhangelsk, and Nizhegorod Oblasts and the Ukrainian SSR do not accept cases and do not apply economic sanctions. This is how local favoritism is manifested, reinforcing the negative tendencies in the country's economy.

I should also like to remind people: The labor collectives must adopt plans for 1991 that are not below last year's level. This is a necessary condition for preserving economic ties. But the enterprises' adoption of plans for this year for many of the most important kinds of products was considerably below the 1990 level. This pertains to rolled metal, timber and chemical materials, petroleum and petroleum products, nonferrous metals, coking coals, scrap metal, granulated slag, and caustic soda—where are we to get them? Buy them abroad? The aforementioned sanctions are imposed on those enterprises that do not understand how fatal this is for the economy.

[Golovachev] And the last question: How do you estimate our chances of emerging from this extremely deep economic crisis?

[Mostovoy] If we take this matter seriously and put an end to the unceasing empty talk and anarchy, our chances are quite good. The country has an immense potential, but we are making poor use of it everywhere you look. I will give a couple of examples. Last year 1,168 facilities were to have been started up. But, according to the 11-month figures, only 13 percent have been. We have squandered R200 billion and the return has been miserly. Even in cases when the construction actually has been completed, production plans have not yet been adopted for 1991. This pertains to the Magnitogorsk metallurgical combine, the Volga turbine plant, the Novobakinskiy oil refinery, the Kondrovskiy paper combine, the Irkutsk, Bratsk, and Krasnoyarsk aluminum plants, and others. On the whole, incomplete construction has increased and its volume, according to preliminary calculations, will be about R250 billion.

Or take another case. We are closing down our own enterprises and buying similar products abroad. We have shut down capacities for producing 100,000 tons of feed yeasts, 250,000 tons of oil, 900,000 tons of caustic soda, 100,000 tons of nonferrous metals... For example, they closed down the Yerevan Nairit association and began to buy chloroprene rubber abroad. But today they no longer have the hard currency for this. So what should we do—shut down the automotive and machine building plants?

An immense quantity of cargo has accumulated in Soviet ports—both exports and imports. About 5 million tons of cargo is waiting to be shipped abroad. And this with our extremely critical shortage of hard currency! And here also, in our ports, there are imported goods (1 million tons). And many of our ships are chartered by other countries and the shipping lines are earning hard currency. Are these not alarming facts? No other country in the world would tolerate this kind of inefficiency.

Of course, we must all clearly understand that in order to provide for the normal operation of industry it is necessary to have material resources, and they will not appear of their own accord, even when there are state orders and quotas. They must be produced. This means that the enterprises must conclude contracts with one another or through intermediaries. This work must be completed before 20 January and no later. This is the immediate obligation of each manager to our people and the homeland.

We must at last understand: During the transition period the economy requires careful regulation and coordinated and efficient work on the part of all units of the national economic complex. It is vitally necessary to conclude economic contracts among the republics. We must learn our lessons from the mistakes we have made and adopt the necessary package of legislative acts so that the economy will begin to develop normally. Only together, through our combined efforts will we be able to emerge from the crisis and begin planned movement toward the market.

Agricultural

Moscow May Begin Grain Futures Trading

PM1001163591 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p 3

[Report by K. Mikhaylov under the rubric "Exchange News": "Grain Operations"]

[Text] As early as this spring the Moscow Commodity Exchange may begin operations in wholesale grain trading. Exchange president Gennadiy Poleshchuk is convinced that this will bring nearer a way out of the food crisis, while in the long run it will help to restore the country's status as an exporter of many kinds of grain which today are imported from abroad.

But what advantages does the exchange mechanism give to sellers and buyers? Knowledge of market prices; the opportunity to plan their expenditure without fearing elemental market forces. A peasant, let us say, can sell a future harvest of wheat which has not yet been gathered or even sown, and can freely dispose of the sum of money secured or firmly guaranteed to him. The Moscow Commodity Exchange will also make it possible to exchange at once a harvest, including a future one, for goods that are needed on the farm, if they are also an object of exchange turnover: construction materials, for example.

M. Laserson [name as transliterated] has come to Moscow from the United States to help our as yet inexperienced brokers to master sundry finer points. He is prepared to assume in the future the role of an intermediary between them and Western business. Similar "teams" are being formed here with the participation of foreign specialists on the threshold of wholesale trade in energy sources (petroleum and the products of its refining) and in currency and financial resources (deposits, bills, bonds, foreign currency). But the most promising commodity group is still grain. This is insisted on both by Nikolay Gubanov, head of the agricultural produce department and until recently a senior official of the USSR Council of Ministers State Commission on Food and Purchases, and by Miss Danielle Downing, a Princeton graduate who heads the international relations service at the exchange.

"Despite the record harvest," I was told, "the plan for state purchases of grain is not being fulfilled. At the same time grain is being drawn increasingly actively into the shadow market turnover, sold, and exchanged for industrial goods at inordinately high prices. Only the wide development of free trade will put an end to this calamity!..."

Well, our state's bitter experience confirms what was said. Administrative measures alone have not yet brought anyone to plenty, and strong-arm pressure during a food crisis can only give rise to makhnovshchina [counterrevolutionary peasant movement in the Ukraine during 1918-1921].

We are acquiring more and more commodity exchanges. And the Moscow exchange will certainly not be the only one to conduct grain operations. But at present it is asking potential sellers and buyers all over the country to express their wishes concerning the times, volumes, prices, and other conditions of future contracts. Either on Moscow telephone number 187-86-14 or at this address: Moscow Commodity Exchange, Pavilion No. 4, USSR National Economic Achievements Exhibition, Moscow, 129223. All types of grain can be the object of trade: wheat, rye, oats, barley, millet, buckwheat, corn, rice, or lentils.

Article Notes Winter Weather Anomalies

914B0057A Moscow SELSKAYA ZHIZN in Russian 2 Jan 91 First Edition p 4

[Article by A. Shuvalov under the rubric "Notes of a Weather Forecaster": "What Has Happened to Winter?"]

[Text] Really, what has happened to it? It does not look like itself for the third year in a row. Whatever happened to the Candlemas day freeze, Epiphany day freeze, Christmas day freeze? What happened to the deep, fluffy snow and rime-ornamented trees? Winter came as a routine and boring thing to the central area in December. The temperature kept dropping by one degree and finally, before the New Year, it stopped as high as minus 15 degrees. The average monthly temperature in December is expected in many areas to be some three to four degrees higher than it has been in many years. In many areas, but not everywhere. At first glance the situation was very contradictory in December. On the one hand, the positive anomaly of temperature went as incredibly high as 10 or 12 degrees in the Arctic coastal areas. On the other hand, the extreme southern areas, Stavropolye, Kuban, and the southern Ukraine experienced colder than usual weather. Not much colder, only by two or three degrees, but colder. The most curious was the fact that such topsy-turvy situations, when it was colder in Simferopol than in Syktyvkar, even ceased to surprise anyone—we saw so many of them last December.

All these seemingly improbable "distortions" in weather, however, were quite legitimate. First, the North Atlantic area was considerably "agitated." It kept sending major cyclones to the Barents Sea, where storms practically never ceased all through December. Rarely were the winds from the southwest replaced by the northern winds in the areas above the Arctic circle.

That is where the most interesting part comes: The cold air in the north would very quickly retreat before a cyclone and move to the south, to the central areas, and there it would stall in an area of high pressure, as if in a quiet lagoon. For that reason, December failed on many occasions to justify its label of "the twilight of the year." If nothing else, it had a lot more clear days than usual. If we continue to unwind this chain of causes and consequences, we have to mention how selfish this December was with precipitation. In Moscow and surrounding areas the amount of precipitation could barely make it to half of the monthly norm.

These are just routine notes. For that reason, I cannot get rid of a feeling that the most interesting climatic events missed us this time.

The early touch of winter was rather impressive in Western Europe and America. In any case, newspapers in many countries of the world were full of reports and pictures of endless lines of cars trapped by snow on the roads of England, France, Italy, and Scandinavia, and of Californian oranges covered with icy "armor."

I wish we could do without any winter surprises in January when, as everybody knows, winter should turn to cold. Deep freezes and major snowfalls are detrimental to our lame economy and our sickly power industry.

What are the January forecasts, then? Past years, or rather their climate data, cannot provide a clear and unequivocal answer to this question. It seems that in one third of all the occasions, a cold January follows a warm December. Based on these data entirely, we can say that the probability of normal or above normal January temperatures is about 60 to 70 percent, which is not all that high for a correct forecast. You should nonetheless remember that this probability is higher in the last decade.

The weather will bring its own order, of course, but I think that the main tendencies of December will continue in January 1991. There will be more snow, though...

Military

Extra Troops Aid in Restoring Law, Order

PM1001111591 Moscow SOVETSKAYA ROSSIYA in Russian 10 Jan 91 First Edition p 1

[Interview with Major General V. Manilov, chief of the USSR Defense Ministry Information Directorate, by N. Belan, date and place not specified: "Draft Card: Defense Ministry Ensures Fulfillment of Presidential Decrees"]

[Excerpt] [Passage omitted] Concerning the report [by the USSR Defense Ministry on increased failure in some Union republics to "fulfill duties related to the country's defense"] and rumors surrounding it, our correspondent asked Maj. Gen. V. Manilov, chief of the USSR Defense Ministry Information Directorate, to answer a number of questions.

[Belan] Valeriy Leonidovich, this decision by the USSR Defense Ministry has received a varied reception. The opinion is being expressed, for example, that the draft situation is a pretext for sending in extra troops, especially into the Baltics...

[Manilov] There is and there can be no question of sending in troops. But the talk about divisions and tens of thousands of assault troops does not correspond to the facts. I repeat: Only individual Airborne Assault Force subunits are being used. These are additional and, regrettably, enforced but necessary measures to assist military commissariats to implement the draft and also to help those who are working to track down and bring back military servicemen absent without leave from their units, and that is all. The USSR Law on Compulsory Military Service and the country's Constitution must be steadfastly observed; their nonfulfillment directly affects the interests of the state's defense capability.

[Belan] But what will the extra military subunits be doing to help the military commissariats?

[Manilov] They will act in specific circumstances. For example, when necessary, they will take part in supporting the vital activity of military commissariats, draft centers, and draft commissions. After all, it is no secret—your newspaper has written about this many times—that in some regions the conditions created for the military commissariats' work are intolerable. Electricity, water, and telephones are being cut off, threats of physical violence are being made against military commissariat workers and members of their families, and their honor and dignity are being impugned. Obstacles are being created to the fulfillment of their official duties. Draft cards sent to draftees are being ignored, intimidation and moral pressure are also being used against these young people, and they are being prevented from entering draft centers.

Thus we are acting within the bounds of the law in execution of the USSR president's decree of 1 December 1990. Incidentally, the Fourth Congress of USSR People's Deputies also stressed that all Union-wide laws must be observed unfailingly until the signing of the new Union treaty. This demand also applies to the execution of the Law on Compulsory Military Service.

In addition, the presidential decree I mentioned unambiguously demands that the USSR Prosecutor's Office ensure that officials and citizens who refuse to enforce the USSR law on questions of the country's defense be called to account. And presidential decrees must be obeyed.

[Belan] Readers have phoned us to ask: What kind of soldiers and defenders of the motherland will these soldiers be if they have to be drafted by force?

[Manilov] The overwhelming majority of draftees who did not attend the military commissariats in response to their draft cards and those who have left their units were victims of unlawful legislative acts adopted at local level as well as propaganda by destructive forces. This must be seen and correctly understood. Young people have been incited to break the law. But if they are protected from the negative and corrupting influence of these illegal acts and forces they will perform their constitutional duty with dignity and honor. Therefore it is primarily a question of restoring law and order and creating the kind of psychological atmosphere in which people can see that there is a law, that it is operating, and that they must live according to it.

Draft Enforcement Measures Roundup

PM1101132591 Moscow IZVESTIYA in Russian 11 Jan 91 Union Edition p 1

[Reports by correspondents N. Lashkevich from Lithuania, E. Kondratov from Moldova, and I. Litvinova from Latvia, followed by IZVESTIYA military correspondent V. Litovkin commentary under general heading "While Politicians Are Arguing, Paratroopers Are Relaxing"]

[Text]

Lithuania

[Lashkevich] On Tuesday [8 January], the servicemen who have come to Lithuania in order to implement the presidential decree were not taking vigorous action in seeking the young men evading military service.

A. Butkjavicjus, general director of the Territorial Defense Deperatment, also confirmed this to me.

According to data from the republic's Military Commissariat, there are about 1,000 young men "on the run" at present. Several thousand were not conscripted during the fall draft. For the sake of comparison: There were only 46 "refuseniks" in 1989. Lithuania comes near the bottom of the list of republics in terms of the number of young men called up—12.5 percent. Some 35 percent of these are representatives of the indigenous nationality.

Until 13 January, as the republic's Military Commissariat informed me, the servicemen will not take any vigorous action. Draft commissions are at work.

The current growth in numbers of young people of draft age who are evading military service has been caused by the policy of the republic's new leadership. The Lithuanian Supreme Soviet has adopted a series of laws and resolutions which are torpedoing the draft of young people for military service in the USSR Armed Forces. Draftees who decide to serve in the Soviet Army are obliged to notify regional sections of the Territorial Defense Department of their intention. Lithuania is not guaranteeing that they will receive compensation if they lose their ability to work during their service in the USSR Armed Forces, or enjoy the benefits or guarantees established in housing and labor legislation.

Moldova

[Kondratov] The order for conscription into the Army in Moldova was fulfilled only 60 percent last fall. Some 450 deserters are on the wanted list, and more than 5,000 guys are evading military service and hiding from the Military Commissariat's workers.

What is the reason behind these problems?

Major General V. Nazarov, the republic's military commissar, believes that there are three reasons. The first is the resolution adopted by Moldova's legislature in September, which in essence annuls Soviet legislation on military service, and the decree by Moldova's president, according to which military commissariats are entitled to conscript young people only on the strength of a written application by them and with written permission from their parents. The second reason is the active opposition to the draft and the moral and sometimes physical pressure on young people by the People's Front and other radical social movements. In addition, pressure was often exerted through "their own" leaders of local soviets. The third reason is the fact that military commissariats have received virtually no assistance from government organs.

V. Nazarov is convinced that, unless Moldova's leadership adopts official decisions and effective measures to ensure the mandatory service by the republic's young people in the Soviet Army within the next few days, then assistance from airborne subunits will become a necessity here too.

Latvia

[Litvinova] One of the most acute problems in Latvia today is the implementation of the USSR president's decree on military service or, as people in the republic believe, the enforced mobilization of those evading it. It is worrying many politicians, although admittedly only for politics' sake. And the young men and their parents are faced with a difficult choice.

On 7 January District Commander Colonel General F. Kuzmin met with A. Gorbunovs, chairman of the Latvian Supreme Soviet. The deserters were given a week's grace—they can return of their own accord before 13 January and then perform the remainder of their service in the Baltic republics. Matters are more complicated for those performing alternative service under the republic's law. They have also been instructed to report to the draft centers. As were the 1,500 young men who did not go either into the Army or into alternative service.

When this question was being discussed 8 January, the opinions of People's Front deputies were divided (deputies from the opposition, as I have already written, walked out of the hall and did not participate in the discussion). Parliament adopted tough resolutions by a majority of votes, which made it doubtful that the USSR presidential decree would be voluntarily carried out. The development of events will show what this will mean for Latvia.

Commentary by IZVESTIYA's Military Correspondent

[Litovkin] The tense situation that has developed in several republics due to destructive actions by local organs of power which are not fulfilling the USSR president's decree "On Certain Acts on Defense Questions Adopted in Union Republics" is fraught with many extremely undesirable consequences. And this does not mean just the use of airborne subunits to implement it. (Incidentally, only three battalions of these have arrived in Latvia, instead of several divisions as reported by certain agencies). And not just that young men who are evading the draft are being driven to committing illegal, and therefore criminally punishable acts. There is another aspect.

The Army, which has not received the necessary new recruits on time, will be forced to postpone the discharge into the reserve of persons who have already completed their service but cannot be replaced in their combat alert duty in the strategic [rocket] forces, the air defense forces, and other responsible posts...

Akhromeyev Interviewed on Moldova

91UM0234A Kishinev SOVETSKAYA MOLDOVA in Russian 22 Nov 90 p 1

[Interview with Marshal of the Soviet Union S.F. Akhromeyev, adviser to the USSR president and USSR people's deputy, by A. Kvasnikov and L. Bakal, reporters of the Tiraspol newspaper DIALOG; place and date not given: " 'President M.S. Gorbachev Is Starting a New Policy...'"]

[Text] [DIALOG] Sergey Fedorovich, what brought you to the republic?

[Akhromeyev] I will start with the fact that this is not my first visit to Moldova. I was elected a people's deputy of the country from Beltsy, Feleshty, and Synzhereya in 1984, and I was elected by them again in 1989. I know my electoral district, as well as the republic. I visited it many times, and I have met with worker collectives and rural workers. In short, I am familiar with the concerns and problems of my constituents. They worry me.

Friendship between peoples was characteristic in Moldova, but today the situation in the republic has become tense, and a lot has been lost... The sociopolitical situation here has reached that dangerous and extreme point where it can get out of control, lead to tragedy, and result in human sacrifices. Therefore, on the instructions of the USSR president the principal purpose of my arrival today is to try, together with the parliament of the republic and the leadership of the Dnestr area, to stabilize the situation at least somewhat, with the idea of continuing in the future to seek ways to arrive at an agreement and peace.

[DIALOG] Tell us, please, do you have any specific proposals for getting out of the impasse?

[Akhromeyev] There are proposals that I was empowered to make on behalf of President M.S. Gorbachev. Of course, I also have my own position, which in this case coincides with the substance of the proposals of the leadership.

[DIALOG] In that case, Sergey Fedorovich, we would like to know your assessment of exactly what led the republic to the brink of civil war?

[Akhromeyev] A legislature is functioning in the Republic of Moldova today which was elected in a democratic way, and which, it became clear to me from many meetings on the right bank of the Dnestr, in Bessarabia, expresses the will of a majority of the representatives of the indigenous population. This is precisely so: The positions of the Supreme Soviet of the SSR [Soviet Socialist Republic] of Moldova and the majority of the Moldavian people coincide. At the same time, parallel with this organ, on the left bank of the Dnestr, on the former territory of the Autonomous Moldavian Republic, the leadership of the Dnestr area expresses the opinion of a majority of people of all of the nationalities that live here. That is, a split on a national basis has occurred in the republic, and it is deepening. This is tragic, and it must not be permitted to happen under the conditions of our multinational country. In any case, to aggravate this split is intolerable.

[DIALOG] But how is this to be achieved?

[Akhromeyev] One thing is clear today, and the USSR president especially persistently emphasized this fact: All laws, ukases, resolutions, and decisions issued by both the Moldova SSR Supreme Soviet and the leadership of the Dnestr area which increase tension must be frozen, and an effort must be made to find a common language.

[DIALOG] But today the republic legislature insists that this language can only be a state language.

[Akhromeyev] We have to talk about this and many other things, but only at the negotiating table and in the language of agreement, not of threats, ultimatums, and rejection. I am told today that the People's Front is pressing the situation in the republic. I agree. I think that the creation of a national guard contradicts the agreement reached, and this is intolerable. But at the same time, I cannot help but feel that the arguments of its "opponents" do not always fall within the realm of reasonable sufficiency. Today the conduct of elections in the Dnestr area places us at an extremely dangerous point. Therefore, a reasonable way out now is that these elections not be held at the designated time; that is, on 25 November of this year.

The objection is made: Indeed, the postponement of the elections, perhaps, will ease the situation, but, you see, the other side, while supporting an "easing of tensions" in words, in fact will not make even one iota of a concession. There is a lot of truth here, but concessions should be achieved by other means, and not by those that lead to irreversibility.

[DIALOG] But, apparently, you know that efforts of this kind have been undertaken more than once. The result has been zero. How much can one do?

[Akhromeyev] For politicians, and political leaders operate on both sides, the question does not exist: "How much?" How much is necessary is how much has to be done. Here I can set forth the president's order that sent me here. M.S. Gorbachev and A.I. Lukyanov, chairman of the USSR Supreme Soviet, gave me instructions to acquaint the leaders and people of Moldova with these proposals, announcing the following on the same day in Kishinev and Tiraspol.

First, on freezing the elections of deputies to the Supreme Soviet of the PMSSR [Dnestr-Moldavia SSR].

Second, the Supreme Soviet of the SSR of Moldova is to dissociate itself from baseless declarations about secession from the structure of the Soviet Union and about Moldova's joining Romania, inasmuch as these declarations contradict the Declaration on the Sovereignty of the SSR of Moldova. To announce the fact that the SSR of Moldova will participate in the development of the Union treaty with the central organs of authority in Moscow.

Third, after these declarations, to continue work in the conciliation commission. For myself, I want to emphasize, of course, that this does not resolve all problems, but it is the first major step on the road to such a resolution.

Now what these proposals based on. Incidentally, they were examined last Friday after a meeting of the USSR Supreme Soviet, when the parliament had already adopted as a basis the draft decree I brought here. It was necessary to familiarize all the leaders with whom I was meeting with some of its items. In particular the third item: "Taking into account the declaration of the representatives of the republics regarding the signing of a new Union treaty and putting it into effect, to consider it necessary in a 10-day period to elaborate and sign a system of agreements that guarantees the stabilization of the socioeconomic situation in the country. To propose to the Supreme Soviets of the republics to introduce a moratorium on the application of the provisions of the Constitution, laws, and other acts of the republics that give rise to arguments about jurisdictions between themselves and the Union. In the event of a refusal by the republics to introduce the aforementioned moratorium, to recommend to the president that he use all powers and means available to him." This is item four: "To recommend to the USSR president that he employ appropriate measures, right up to emergency measures, depending on the specific situation, in the event of violations of the rights of citizens and the onset of a threat to their lives, health, and property."

[DIALOG] Sergey Fedorovich, as far as we know this decree is the first time that reliance "on force" is being made for the purpose of preserving the integrity of the Union?

[Akhromeyev] No. I would say rather on observance of the Constitution and USSR laws, and, in those cases when it is necessary, with the employment of force. We embarked on a colossal restructuring of the country, and we entered onto the path of creating a Union of independent and politically and economically sovereign states, a path that nobody in the world has traveled before us. But, of course, and here also I understand the president well, no one would want to create such a Union through anything other than peaceful and voluntary means. But the situation is such that, instead of creating, some are more concerned with destruction, and at times senseless and merciless destruction. An end has to be put to these attitudes, but mainly an end has to be put to actions. And here I can assume that the president of the country intends to begin to conduct a new policy. I would call it more adequate for those realities that have evolved today, and more realistic.

[DIALOG] Judging by your answer to the first question of our interview, you came to the republic not only as minister plenipotentiary of the president but also as a USSR people's deputy, and as a representative of the interests of your constituents?

[Akhromeyev] Only in part. I consider it my duty to inform Tiraspol residents of what the residents of Beltsy asked me to convey to them. The leaders of the Beltsy City Soviet asked me to appeal to the residents of Tiraspol and to the members of the Provisional Supreme Soviet of the Dnestr-Moldavia SSR as follows. In the event that elections to the Supreme Soviet of the Dnestr Republic become an accomplished fact, Russians, Ukrainians, and other nationalities who live on the territory of Moldova where Moldovans constitute a majority will be in an extremely difficult position. The city soviet asked me to remind Tiraspol residents of the fact that we are talking about tens of thousands of Russians and Ukrainians who live in Beltsy.

[DIALOG] Sergey Fedorovich, the Dnestr area is fighting to remain in the Union. Is it really its fault that such a legislature exists in Moldova?

[Akhromeyev] Nonetheless, I will emphasize this main thought once more: This legislature is elected democratically, and, of course, one does not have to agree with it and can defend different positions, but only through legal legislative means. This is the basis of democracy.

[DIALOG] You have a very intense program during your stay, and many meetings and talks are planned. Tell us, in the final analysis, do you yourself believe in the success of your mission.

[Akhromeyev] I am here with hope. I hope that I will at least partly achieve some success...

Military Missiles Conversion Plans Reported

PM1001124391 Moscow KRASNAYA ZVEZDA in Russian 10 Jan 91 First Edition p 4

[Unattributed report: "Missiles Have Been Cut Back... and Sent into Space"; first paragraph is reader's letter]

[Text] It is well known that the missiles taken out of commission as part of reduction are being destroyed. Could they not be used for peaceful space purposes? [Signed] S. Sorokin, Barnaul

Of course, the use of military missiles for peaceful purposes is far more advantageous than their destruction. It is not surprising, therefore, that Soviet specialists, for instance, the "Tekhnopribor" association designers, are anxious to create on the basis of the SS-20 missile a three-stage solid-fuel "Start" booster rocket with a weight of 40-45 tonnes launched from a mobile launcher. "Start" uses all the units and materials not subject to destruction within the framework of international treaties or not banned for use for peaceful purposes. In the opinion of specialists, within five years we will be able to produce about 300 booster rockets by this means.

This will assist conversion and help to preserve large material and financial assets. Thus, for instance, completed "Start" rockets can put into space scientific apparatus weighing about 200 kg in space orbits of up to 500 kilometers. This information was obtained at the USSR Defense Ministry space research press group.

Secretariat on Party Elections in Armed Forces

PM1101102391 Moscow PRAVDA in Russian 10 Jan 91 Second Edition p 2

["Own information" report under the rubric "Official": "Elections of Party Organs in Army"]

[Text] In accordance with the 28th CPSU Congress directive on radical perestroyka within the framework of military reform of the system of party political work in the Army and Navy the CPSU Central Committee Secretariat has adopted a decision to hold report and election meetings and conferences in the USSR Armed Forces, the USSR KGB and Ministry of Internal Affairs troops, and the railroad troops in January-March this year.

During the reports and elections it is planned to transform the current structure of party organs and to define the functions of party organizations and political organs.

Yesterday the CPSU Central Committee Secretariat under the chairmanship of Central Committee Secretary Yu. Manayenkov held the first sitting of the coordinating committee created from representatives of the party aktiv on the holding of reports and elections in Army and Navy party organs.

Priority organizational issues were settled and recommendations worked out for military Communists and the party organizations' aktiv. In particular, it was reported that spending on the report and election campaign will come out of the membership dues received from military party organizations. The CPSU Central Committee Secretariat has given them permission not to pay their subscriptions to Central Committee funds but to use them to finance the party structures to set up and organize the work and independent financial and economic activity of newly elected party committees and control commissions.

It was recommended that conferences be held in districts, groups of forces, fleets, categories of troops, and branches of the Armed Forces in February-March, and that an all-Army party conference and a party conference of border guards and internal and railroad troops be held in the last 10 days of March.

There was an exchange of opinions between representatives of the troops at the coordinating committee session. The participants were addressed by Yu. Manayenkov, secretary of the CPSU Central Committee, and Colonel General N. Shlyaga, chief of the Soviet Army and Navy Main Political Directorate.

Leningrad Military Space Institute Described

PM0801123991 Moscow KRASNAYA ZVEZDA in Russian 4 Jan 91 First Edition p 4

[Report by A. Radionov under the rubric: "We Describe for the First Time": "Whom the 'Secret' Institute Trains"]

[Text] A real spacecraft will soon be installed in Leningrad, on the Zhdanov Embankment outside the walls of the main block of the Red Banner Military Engineering Institute named for A.F. Mozhayskiy. The students and teachers of this military-space institute now do not need, as was the case before, to conceal their association with space.

...I am walking with Major General V. Kalinin along the institute's long corridors, looking into offices and "secret" laboratories and familiarizing myself with the study base. Of course, with the students—the future officers of the space units.

Vladimir Nikolayevich Kalinin is an interesting person to talk to. He is a doctor of technical sciences, a professor, and the institute's deputy chief for training and scientific work. He describes his institute with enthusiasm.

The institute's seven faculties and 55 departments train space command and engineering cadres in 26 science-intensive specialities. The graduates become mechanical engineers, electrical engineers, electronic engineers, radio engineers, mathematicians, geophysicists, systems engineers, and ballisticians.

Over the past 30 years the institute's scientific and teaching orientation has been closely linked with the development of knowledge of space, the improvement, operation, and application of space rocket technology, and the training of the relevant scientific and military engineering cadres.

"The higher educational establishment probably makes special demands on the selection of students?"

Vladimir Nikolayevich replies:

"We have a quite strict professional selection. Incidentally, it begins at the military commissariats and is pursued actively during entrance examinations at the institute's out of town study center in Lekhtusi settlement, Leningrad Oblast, where the candidates go."

Indeed, all this is entirely justified. After all, only someone who has strong physics and mathematical training and a high general standard of culture can cope with the Mozhayskiy institute.

A considerable proportion of the institute's graduates go to the Baykonur and Plesetsk cosmodromes. Their official duties include preparing spacecraft and launching them and putting them into orbit and also providing backup for launch vehicles like the "Energiya" and "Proton," for instance.

Another group of Mozhayskiy Institute students "master" virtually the entire territory of the Soviet Union—from the Western border to Kamchatka, from the tundra to the Pamir spurs in the south. They also serve at the measuring stations, ensuring the functioning in orbit of Soviet military and national economic spacecraft.

Baltic Republics

Reports Continue on Situation in Vilnius 10-11 Jan

Call To Rally at Council Building

LD1001141991 Vilnius Domestic Service in Lithuanian 1245 GMT 10 Jan 91

[Statement by Kazimieras Motieka, deputy chairman of the Lithuanian Supreme Council, broadcast from the Supreme Council building in Vilnius—live or recorded]

[Text] It looks like the hour has come when we all have to decide the most important decision facing Lithuania: either independence or eternal slavery.

Just now an appeal of Soviet President Gorbachev has been received—one full of deceit and slander against the Republic of Lithuania—which alledges that many organizations, social and public organizations, working collectives, and people of various nationalities are appealing to the Union organs and to the president to demand the restoration of the functioning of the USSR Constitution and USSR laws within Lithuania.

President Gorbachev sent his appeal to the Supreme Council in Lithuania. The appeal demands that the operation of the USSR Constitution and the Constitution of the Lithuanian Soviet Socialist Republic be restored, and that all acts adopted by independent Lithuania be annulled.

At this moment, people specifically invited for this purpose are gathering outside Union enterprises and organizations in Vilnius. At this point, men are being called in to be sent to the Lithuanian government house, the Supreme Council building, to take over the building by force; in this way, they would help the president of a foreign country, Gorbachev, to implement his appeal.

We see right before our eyes that the most reactionary forces of the Soviet empire are attacking us and continue the crime committed against us in 1940. The people have changed, but the state remains the same, and the crime committed by it in 1940 has continued until now. It is a pity that the same people who only a few years ago announced they were trying to dissociate themselves from these crimes for which other nations are suffering, for which we are compelled to slavery—or, rather, were compelled, and now having straightened our backs we wanted to decide our future independently, as we had been doing until 1940—the forces which announced restructuring in the country, which announced that a state ruled by law and order was established, which announced democratization, at the moment have been uncovered and have shown that they are the most aggressive and the most reactionary forces, like those in 1940.

Once again with the help of the Army, with the help of crowds of the most rabid reactionaries, which in fact is the policy of fascism, they want again to force us to be slaves for long centuries to come.

I am asking, esteemed compatriots, everyone who is not indifferent to Lithuania's future, Lithuania's freedom, and people's welfare to come to the Supreme Council building as urgently as you can and to face the individuals who will be breaking in and who are now gathering in crowds at their enterprises. News has reached us that some of them are already moving toward the buildings of the government and the Supreme Council.

We must block their path and in this way to resist them. I can say that at the moment the U.S. consul is visiting Vilnius, and all these events are developing right before his eyes. The information he will receive now will not be from TASS, not from the sources of the Soviet mass media, but he will see everything with his own eyes. Some events he has seen already.

I call upon you to rally and to be calm. I do not invite bloodshed. We should be united, and we should not allow blood to be spilled. I invite all the people, everybody who can, all of you who are resolutely determined to help the republic, to help yourselves, to help your future, to help your children, and to help cross this fatal threshold that has emerged and blocked our way: I would like you to come to the Supreme Council building to defend our government so that, according to the words of our chairman, foreign government does not appear.

I think that only our determination, our resolution, and our courage will win over the slanders directed here from the Kremlin. In the end, eyes will be opened to these representatives of the Kremlin administration, and they will see what kind of crime has been committed against us, what kind of crime is continuing, and why they want to cover up this crime. We will help them renounce this crime, too.

All the progressive people of the world are with us. States all over the world which did not recognize our forcible incorporation into the Soviet Union are with us.

Esteemed and dear Lithuanians, compatriots, and all people of Lithuania: The future of Lithuania depends on your actions, on your will and determination.

'Disguised Soldiers' To Attend Rally

LD1001211191

[Editorial Report] Vilnius Domestic Service in Lithuanian at 1958 GMT on 10 January carries a one-minute newscast originating from the Lithuanian Supreme Council building in Vilnius.

The announcer begins, "First, the unpleasant news," and mentions recent events and the real possibility of transport and supply delivery strikes. He continues: "This is exemplified not only by the strikes initiated at enterprises under Union jurisdiction, but also by this latest information, obtained from reliable sources. The enemies of Lithuanian independence plan a new gathering tomorrow morning at 0700 [0500 GMT] outside the Supreme Council building. We have information to the effect that disguised soldiers of the foreign country will also participate, or it is planned to make use of them at this gathering."

Telephone Service Reported Lost

LD1001213291 Vilnius Domestic Service in Lithuanian 1958 GMT 10 Jan 91

[Excerpt] During this broadcast, due to certain circumstances—since, as you can see, we are broadcasting this from the Supreme Council building, not from the television studio—there are no telephones, none of the customary telephone calls.

However, our helpers, the producers of this broadcast, thought up a new channel of communications with you, esteemed viewers, and the right to ask questions is accorded to those individuals presently assembled near the Supreme Council and, as the esteemed chairman noted, are protecting the 11 March act with their bodies. [passage omitted]

More Troops Arrive 11 Jan

LD1101061291 Vilnius Domestic Service in Lithuanian 0532 GMT 11 Jan 91

[Text] [Words indistinct] yet another uneasy day in Lithuania. As it was announced yesterday on the radio, workers at enterprises under Union administration, representatives of Yedinstvo and other such organizations are determined to stage protest rallies today.

The inhabitants of Vilnius and of other towns and rayons last night began mounting a vigil at the Supreme Council building and the Press Building. We are grateful to them. We are grateful to those patriots from Kedainiai. We were told before this broadcast that last night a truck arrived from Kedainiai bringing bread to those mounting the vigil.

And what happened last night in Lithuania? At about 0630 hours [0430 GMT], I phoned the republic's security department. We were told that it was not quiet in Vilnius last night. At midnight, seven armored vehicles were on the move on the streets for over an hour. [Words indistinct] people were urged to hurry in even larger numbers to the Press Building. Fortunately, this step by the armored vehicles was not [word indistinct].

Deputy general director of the country's defense department, Vaitkaitis, announced this morning that an additional 400 soldiers arrived in Vilnius from Kaliningrad. The hunt for youths by the Soviet Army has begun. According to unofficial information, four youths were (?kidnapped) last night. According to Algimantas Vaitkaitis, today it is possible [words indistinct].

By the way, those who managed yesterday to get acquainted with the text of the ultimatum to Lithuania by the Soviet Union's president, Mikhail Gorbachev, may remember the beginning of January 1990. Exactly a year ago, Mikhail Gorbachev visited Lithuania. Probably on this occasion we received this gift.

Meanwhile, people of Lithuania [passage indistinct] once again [words indistinct] to live only in accordance with Lithuania's constitution in an independent (?state).

Call To Rally Repeated

LD1101075391 Vilnius Domestic Service in Lithuanian 0717 GMT 11 Jan 91

[Text] I cannot announce any good news. According to information received just now, columns are marching towards the center of the city from the enterprises under Union administration. According to information received, in the ill-fated Burdenko factory, the workers are being incited and divided into separate units who will have to do the seizing of the buildings. Most likely, these building will be those we mentioned yesterday—the Supreme Council, the government building, television, the press center.

I am very grateful that yesterday you responded to the invitation by the Supreme Council to protect the Supreme Council building and the deputies working there, that is, Lithuania's leadership which you elected yourselves. At present, I state with full responsibility that the danger is not less than yesterday, and may be, in some respects, greater, because these same forces are already openly calling for an attack and say that the problems not solved yesterday should be solved today.

Therefore, I am urging the dear Lithuanian people, dear residents of Vilnius, to come to these buildings and protect our Lithuania's independence and those centers through which we maintain communications with you and you with us. I ask not to panic. Remember our main weapon is restraint, determination and avoidance of any physical defence. I would think that our cohesion and the numbers of people will once again scare away our ill-fated enemies, who wish by every means to overthrow the legally elected Lithuanian leadership and restore the Soviet Union's constitution in Lithuania.

I ask you to gather, be determined, and those who are determined, respond to this invitation. I am grateful to you in advance.

Demonstrators Near Council Building

LD1101070791 Vilnius Domestic Service in Lithuanian 0638 GMT 11 Jan 91

[Text] Esteemed people of Lithuania, information has been received that columns of the enemies of Lithuania's independence are moving from the electric welding equipment works and the Elfa works toward the Supreme Council building. We urgently urge all to gather at the Supreme council Building.

The Information Branch of the Supreme Council.

Troops Take Over Defense Offices

AU1101105091 Paris AFP in English 1045 GMT 11 Jan 91

[Text] Vilnius, Lithuania, Jan 11 (AFP)—Soviet paratroopers seized the Lithuanian defence department offices in Vilnius on Friday after forcing their way in and firing shots, the department's chief, Audeus Butkavicius, said. It was not immediately known whether there were any victims, he told a news conference at legislature.

Soviet paratroopers also seized a building belonging to the Lithuanian defence department in Alitus, in the southwest of the republic.

The defence department is in charge of the republic's border guards, a unit recently set up by order of legislature which has proclaimed unilateral independence.

The newly-elected premier, Albertas Simenas, told journalists Thursday he had been informed of troop movements in the republic, though these had been described to him as "manoeuvres". He would not ask nationalist volunteers to protect the legislature building if paratroopers sought to seize it, he added.

Last week, Soviet Interior Ministry troops seized control of the Communist Party Central Committee building and the party's history institute in Vilnius, forcing local militia (police) to abandon their posts. This was apparently done at the request of the pro-Moscow Communist faction in the republic.

Lithuanian radio later said the paratroopers had "occupied" the printing press that puts out Vilnius' newspapers, and urged volunteers to rally at the radio and television building.

The radio said they used tear gas in the operation, and had roughed up a foreign journalist who was trying to take photographs. It did not specify the journalist's nationality.

The unofficial BALTFAX news agency, meanwhile, said there were no victims when the paratroopers seized the Lithuanian Defense Department earlier Friday.

Tanks at DOSAAF Building, Phone Exchange

LD1101102491

[Editorial Report] Vilnius Domestic Service in Lithuanian at 0930 GMT on 11 January begins broadcasting reports on the situation outside the Lithuanian Supreme Council building in Vilnius and in Vilnius as a whole. The announcer says that among the people who have gathered at the Supreme Council building, there are representatives of the Ukrainian and Belorussian communities, with flags supporting Lithuania's case. A representative from Mazeikiai stresses the necessity to remain calm.

The announcer appeals again to people to come in the greatest possible numbers to the Supreme Council building. He then states that a column of armored vehicles is on the move in the direction of the television tower, and asks people to gather there.

A correspondent then interviews people about events during the previous night, including officials of the Russian and Lithuanian motor vehicle inspections, who say they have not been informed about movement of military vehicles.

At 0940 GMT the announcer states that a Vilnius resident has just phoned, saying that a military armored vehicle has closed down traffic on Verkiu Street. Tanks have surrounded the automatic telephone exchange in Virsuliskes (suburb of Vilnius), he says.

At 0953 GMT the announcer says that two tanks are standing at the former DOSAAF (Voluntary Society for the Promotion of the Army, Aviation, and Navy) building.

At 1000 GMT the announcer reports that "the Virsuliskes DOSAAF building has been occupied. There are no casualties."

Press Building Reported Occupied

LD1101105191

[Editorial Report] Vilnius Domestic Service in Lithuanian at 1035 GMT on 11 January interrupts a music program with the following announcement:

"Attention! Attention! We have received a report that the Press Building has been occupied. We urge as many Vilnius residents as possible to gather at the Press Building."

The announcer then appeals to radio and television workers to report to their work stations.

Troops Reportedly Near TV Tower

LD1101122491

[Editorial Report] Vilnius Domestic Service in Lithuanian at 1100 GMT interrupts a music program to broadcast an announcement conveying information on travel arrangements between Birstonas and Vilnius.

An announcement in both Polish and Lithuanian is then made, informing listeners that military vehicles have been seen moving toward the television tower. Citizens living near by are strongly urged to assemble there.

At 1115 GMT the music program resumes, only to be immediately interrupted by an announcement from the Sajudis Council urging people to remain at significant buildings, and especially not to abandon Independence Square.

It is announced that in storming the Press Building, live ammunition was used, and one person was injured. The announcer says that tanks with their engines running are waiting in the military barracks in Vilnius.

At 1122 GMT correspondent Zenonas Miksys reports on events at the Press Building: paratroopers broke into the building; the first shot was fired; a man was shot. People around the building are shouting "Shameful, shameful" and "Lithuania, Lithuania," he says. He goes on to say that workers in the Press Building were commanded "Hands up!" and were instructed to leave the building. The correspondent also says that he saw one paratrooper pointing his gun at people—women and children—shouting "See what will happen to you!"

At 1130 GMT the music program is resumed.

Troops Occupy Press Building

LD1101123291 Moscow Central Television First Program Network in Russian 1200 GMT 11 Jan 91

[From the "Television News Service" program]

[Text] According to information from staff in the news editorial office of Lithuanian Television, assault troops unexpectedly occupied the Press Building in Vilnius today. Moreover, according to a Lithuanian Television reporter, weapons were used. According to these reports, the assault troops also occupied the building of the Department for the Protection of the Country. There are other reports, too, but we have as yet received no confirmation of them from other sources.

Gorbachev Sends Warning to Lithuania Council

LD1001125791 Moscow Central Television First Program Network in Russian 1200 GMT 10 Jan 91

[Message from USSR President Mikhail Gorbachev to the Supreme Council of the Lithuanian Soviet Socialist Republic; from the "Television News Service" program—read by announcer]

[Text] Hello! Television News Service on the air. We begin our newscast with a message from President Gorbachev to Lithuania's Supreme Soviet:

The situation that has evolved in the republic and its sharp deterioration in recent days compels me, as USSR president, to address the Lithuanian Soviet Socialist Republic [SSR] Supreme Soviet directly. It is necessary to look the truth in the eye and see the true reasons for the situation that has arisen. They are rooted in the flagrant violations and deviations from the USSR Constitution and the Lithuanian SSR's Constitution, the flouting of the political and social rights of citizens, and the desire to use the slogans of democracy as a cover for implementing a policy aimed at restoring a bourgeois system and ways that run counter to the interests of the people.

Responsibility for this rests with the republic's Supreme Soviet and with those who have opted to ignore the constitutional laws, the decisions of the USSR Congresses of People's Deputies and the USSR Supreme Soviet, and the decrees and appeals issued by the USSR president.

The situation is essentially becoming deadlocked. The need to escape from the present situation dictates that urgent measures be adopted. Numerous messages from sociopolitical organizations, production collectives, and citizens of all nationalities are being delivered from the republic to the Union organs of power. The people demand the restoration of constitutional order, reliable guarantees of security, and normal living conditions. Bereft of confidence in the policy being pursued by the current leadership, they are demanding the imposition of presidential rule.

I propose that the republic's Supreme Soviet urgently restore in full the force of the USSR Constitution and the constitution of the Lithuanian SSR, and that it should repeal the unconstitutional acts previously passed. The Supreme Soviet of the Lithuanian SSR must realize the full extent of its responsibility to the peoples of the republic and the Soviet Union.

[Signed] USSR President M.S. Gorbachev

Landsbergis on 'Irresponsible' USSR Actions

LD1001170691 Vilnius Domestic Service in Lithuanian 1350 GMT 10 Jan 91

[News conference by Lithuanian President Vytautas Landsbergis in Vilnius on 10 January—live or recorded]

[Text] [Landsbergis] The Soviet Union's political leadership has taken a step which is dangerous to peace and humanity, and which is irresponsible. I have in mind an ultimatum which has been announced and received by us—written I do not know by whom, but signed by the Soviet Union's president. The unfounded basis of all accusations which have been made up to now and which continue toward Lithuania is stressed there several times. This unfounded basis refers to the Soviet Constitution. We are accused of having transgressed the Soviet Constitution, some undefined constitional laws, and we are demanded immediately to restore the validity of the Soviet Constitution.

I have two remarks in this respect. If somebody seizes another country, announces that the invader's constitution is valid in that country, immediately announces to the world that he bases himself on the constitution and demands that within the occupied country his constitution is legally valid, such demagoguery has not been seen [words indistinct] centuries. Comparisons with the fate of Kuwait, maybe, are not necessary this time.

The second remark in this same ultimatum is a paradox. Mikhail Gorbachev demands that the validity of the Soviet Union's Constitution be restored in the Republic of Lithuania. This means that Mikhail Gorbachev acknowledges that the Soviet Constitution is not valid in the Republic of Lithuania. Thus one may demand that in other neighboring countries, too, especially where there are sufficient numbers of the Soviet Army, the validity of the Soviet Constitition must be acknowledged. This is an example to the world of the legal and political frame of mind of people who talk about the establishment of a state governed by law and order in place of a former dictatorship. [passage indistinct]

We have it. Only Lithuania's Constitution and Lithuania's laws are valid in Lithuania. [passage indistinct]

This has nothing in common unless there is a question about an astonishing coincidence of the events.

[Question indistinct]

[Landsbergis] There is no date in this ultimatum. This is the only difference compared with the ultimatum Lithuania received from that state on the night of 14-15 June 1940. It says: immediately. How this should be interpreted, I do not know. We know that actions had been planned for 8, 9, and 10 January against the legal Lithuanian government; that an impression would be created that the inhabitants are dissatisfied with the government and demand that it be removed; that attempts would be made to force a way into the legislature, and we were expecting a clash, even bloodshed, so as to justify the introduction of a military dictatorship and the use of soldiers. For two days these plans were unsuccessful. Today is the third day, and a march is being planned by misled people, or by people governed by the CPSU organizations—the majority of whom are against Lithuania's independence and who are non-Lithuanians—a march against the legislature. This third day has been very well synchronized with the Soviet Union's ultimatum. There is a wish to create justification for both sides.

You see, the crowd of demonstrators demands that the decree of the Soviet Union's president be implemented and, allegedly, the Soviet president is complying with the wish of the Lithuanian people. The will of the Lithuanian people was very well demonstrated when Mikhail Gorbachev visited Lithuania. Let him come now.

[Question indistinct]

[Landsbergis] Presidential rule is a term unjust in our respect and especially misleading to world poublic opinion. For us it is an occupation carried out on the order of the president of another state. The same presidential rule is presently in use in Kuwait. I am sorry for those journalists who have been subjected to the erroneous terminology of presidential rule. Our means are civic, passive resistance, and noncooperation. But when buildings and people are attacked, the people may defend themselves and buildings have their protection.

I think we are going to reply to this letter, to this appeal, although it is incorrectly addressed. It is addressed to the Lithuanian Soviet Socialist Republic, which does not exist.

[Question indistinct]

[Landsbergis] I think it even happened. We are taking care of this, we are working, and we will solve this problem soon.

I have already said that the legislature building has its own protection which, without doubt, will discharge its duty. We expect more from the states of the world which cannot offer physical help but which can render political assistance and political protection. I have appealed to the leaders of the democratic states and their governments. My appeal says the following: Your resolute actions will help stop the danger of a new aggression. One of these actions would be the establishment of diplomatic relations with the legally elected government of the Republic of Lithuania, especially if your country does not recognize the annexation of Lithuania carried out in 1940 and approves of the act of restoring Lithuanian independence of 11 March 1990. Another action of help would be your statement that the Soviet Constitution is invalid in a country annexed by Stalin, in a country which rejected that constitution and which has its own constitution and laws. [words indistinct] Why do you not make such a statement?

Landsbergis Reads Draft Reply to Gorbachev

LD1101093191 Vilnius Domestic Service in Lithuanian 0747 GMT 11 Jan 91

[Statement by Lithuanian Supreme Council Chairman Vytautas Landsbergis to the Lithuanian Supreme Council in Vilnius—live]

[Text] Good morning, esteemed colleague deputies. To begin with it would be expedient to say a few words about the situation. I have been informed by Colonel Liubertas, the deputy minister of internal affairs, that the situation in Vilnius is being controlled—that they have localized two groups of people gathering in the square. But it would be nice if the deputies, in groups or on their own initiative, would talk to people, so that there is no tension between these groups. Today, during the morning, the radio, needlessly and with no foundation, and referring to the Information Service of the Supreme Council, was calling those demonstrators enemies, and so on. We do not regard them as such, although there are among them, and among the organizers, opponents to Lithuania's independence—but there are also many misled people. Thus, the role of the deputies should be to calm and explain. It would be useful. I also spoke to the deputy minister of trade. According to him, the supply to shops is progressing normally. There is no disruption of transport.

Now about our statement, which would be a possible reply to yesterday's statement by the Soviet Union's president. I have a text written by hand—it is being printed and will be distributed to you. If you agree, I will read it; if you think that it should be edited, we will postpone this matter until the text is distributed. But I can read the draft now—do you agree? Yes?

A statement by the Supreme Council of the Republic of Lithuania:

The USSR mass media have published an appeal, signed by Mikhail Gorbachev, to the supreme soviet of the non-existing Lithuanian Soviet Socialist Republic, which deals several times with constitutional matters. It seems that this text concerns the Republic of Lithuania. Only its basic law—the constitution—and the Lithuanian laws corresponding to it are valid in Lithuania. But the USSR president demands that the Supreme Council of the Republic of Lithuania immediately acknowledge as valid in Lithuania the constitution of his country—the USSR Constitution.

Thus the Supreme Council of the Republic of Lithuania is being categorically requested to pass a decision on legal entry into the USSR, or to legalize the occupation and aggression carried out in 1940, as if forgetting that the second Congress of USSR People's Deputies condemned the USSR policy of that time of ultimatums and violation of treaties.

The Supreme Council of the Republic of Lithuania states that it has neither the basic right nor the mandate of the electors for the demanded action of giving up the sovereignty. Sovereignty belongs to the people, to the nation of the state.

Other demands or accusations by the USSR president on the bourgeois system, the interests of people, and civic rights can be discussed after translating them into legal and constitutional language. The state delegation of the Republic of Lithuania is ready to continue contacts with the USSR state delegation, and solve all problems by way of negotiations. This is stated also in the telegram of 7 January 1991 from the chairman of the Supreme Council of the Republic of Lithuania and the head of the state delegation, Vytautas Landsbergis, to USSR President Mikhail Gorbachev, to which a reply has not been received.

Cables to Gorbachev Urge Presidential Rule

PM1101101791 Moscow PRAVDA in Russian 11 Jan 91 Second Edition p 2

[Report by Ye. Ivanov under the general heading: "Events in Lithuania"]

[Text] These days USSR President M.S. Gorbachev is receiving numerous cables from Lithuania. They demand the dissolution of the legislature and the introduction of direct presidential rule. Thus, a cable from the Congress of Democratic Forces, the Lithuanian Communist Party Gorkom [city party committee], the "Otchizna" ["Fatherland"] civil committee, and a number of other public organizations from Kaunas says the following: "The situation in Lithuania has reached a boiling point.... The republic's Supreme Soviet is adopting more and more antidemocratic laws. We demand the dissolution of the republic's Supreme Soviet, the government's resignation, the signing of the Union treaty, and the immediate introduction of presidential rule."

The same demands are made in cables from workers on the Vilnius stretch of the Baltic Railroad; J. Vasiljauskane, CPSU member from Daugaj City; V. Lazutka, deputy chairman of the Lithuanian Congress of Democratic Forces; P. Aleknavicius, secretary of Prenayskiy Party Raykom [Rayon Party Committee]; I. Jakulis, engineer and construction worker from Alitusskiy Rayon's "Rimenaj" Sovkhoz [State Farm], and many others.

The Ignalina AES [nuclear electric power station] labor collective adopted a resolution 8 January saying, in part: "Considering that the current Lithuanian leadership's policy is antipopular and designed to deliberately exacerbate social tension and alienate various strata of society, we resolutely advocate the government's resignation and the dissolution of the Supreme Soviet. We consider that many of the problems experienced by Lithuania's working people can only be resolved if an economic agreement is signed with the USSR."

These cables also give the reasons for the sociopolitical explosion within the republic. Thus, the message to the USSR president from the Lithuanian SSR's [Soviet Socialist Republic] citizens committees, the socialist movement for restructuring in Lithuania, and the Socialist Federation of Lithuanian Working People says: "On behalf of broad strata of working people of various nationalities and the Lithuanian public we ask you, the USSR president, to use your powers to rescue our homeland from the threat of totalitarianism, territorial dismemberment, and economic and social catastrophe.

"...Regrettably, Lithuania's separatist leaders lacked the statesmanship and elementary tact to appreciate your approach to the Lithuanian problem. They see the Union leadership's restraint and tolerance as weakness and impotence. It is unequivocally clear today that V. Landsbergis, K. Motieka, R. Ozolas, A. Brazauskas, and the nationalists' other leaders will not agree to any political agreement with the USSR. They are pursuing the course of completely isolating Lithuania from the Soviet Union once and for all."

Lithuanian Defense Officials Leave for Moscow

LD1001233291 Vilnius International Service in English 2230 GMT 10 Jan 91

[Text] Director general of the country's defense department Audrius Butkevicius and his deputy (Algimantas) [surname indistinct] have left for Moscow to negotiate the issue of forced military conscription.

Tomorrow they are to meet the chief of General Staff of the Soviet Armed Forces, General Mikhail Moiseyev. The appointment was agreed upon yesterday by phone.

Besides the above issue, the terms of the Soviet troops' deployment in Lithuania will be touched upon.

Besides, Lithuania would like the Soviet Army to coordinate its actions with the republic's government.

Lithuanian Supreme Council Session Detailed

Simenas Elected Prime Minister

LD1001100191

[Editorial Report] Vilnius Domestic Service in Lithuanian at 0804 GMT on 10 January begins to relay the Lithuanian Supreme Council Session in Vilnius. The announcer says that a crowd of people, mainly Vilnius residents, are maintaining a vigil outside the building, and that they greeted the deputies with applause.

He notes there are three questions on the agenda which were confirmed yesterday: the draft law on the agreement between a working collective and the employer; the draft law on service in the protection of the country; and the draft law on selling off state-owned apartments to people.

At 0810 GMT Deputy Antanavicius says that the vigil outside the Supreme Council building is unnecessary because there is no threat to anyone.

At 0811 GMT the presentation of the first item on the agenda begins. The draft law deals mainly with the agreements signed by both the employer and the collective of employees. The role of trade unions in this is widely presented in the draft.

At 0835 GMT deputies ask questions about the draft law.

At 0850 GMT the debate on the draft law begins.

At 0905 GMT Deputy Simenas rounds up the debate.

At 0910 GMT deputies vote on the proposal to publish the draft in the republican press. The proposal is adopted by a majority.

At 0915 GMT Deputy Liaucius presents the draft law on voluntary service in the protection of the country. He says that after the first presentation of the draft law no remarks from other commissions have been received by the commission that drafted the bill. He invites all deputies to debate it. He adds that if the Supreme Council had not delayed the adoption of this law there would be no need to ask people to mount a vigil outside the council building today.

Liaucius asks deputies to discuss paragraph four of the draft law in the respective commissions so that after the first reading this draft can be adopted next week.

At 0922 GMT no one wishes to take part in the debate, and the first reading is supported by a majority.

At 0926 GMT the session adjourns until 1000 GMT, and the relay ends.

At 1007 GMT on 10 January Vilnius Domestic Service in Lithuanian resumes its relay of the Lithuanian Supreme Council session in Vilnius.

Deputy Shved demands to be allowed to make a statement: 45 deputies vote in favor, six against, and 18 abstain. It is proposed that the statement be taken to the secretariat which will later disseminate it to the deputies. Some deputies call this a breach of democratic rights. Deputy Shved says that when Deputies Motieka, Cepaitis and other pro-Sajudis deputies want to make a statement no one propose a vote. Yet when an opposition deputy wants to make a statement difficulties are created. Deputy Academician Vilkas proposes that the chairman of the session leave his post. Shved is not granted permission to make his statement.

At 1033 GMT the draft law on selling off state-owned apartments to private citizens is presented.

At 1045 GMT the debate on the draft law begins and continues until 1130 GMT when the chairman of the session adjourns the session for lunch. The relay ends.

At 1415 GMT on 10 January Vilnius Domestic Service in Lithuanian resumes its relay of the Lithuanian Supreme Council session in Vilnius. The relay begins with Liudvikas Sabutis, secretary of the Supreme Council, speaking from the newsroom and thanking the Lithuanian people for their response to the appeal for help:

"Esteemed people of Lithuania: We are grateful for your response and for your speedy reaction to our call for help.

"There are, however, very many people around the Supreme Council building and the approaches to it at the moment. So, we would like to ask if some of you have urgent work to carry out, please do not leave your workplace. We hope that those people who have already come here will succeed in helping us as they have done on all the other occasions.

"Thank you very much, and I think that you will have the opportunity to follow events because they will be broadcast. You will also learn about the other events on television.

"Apart from this, it will be announced that the Supreme Council will probably make a decision on how we should react to Gorbachev's proposal—which I would call ultimatum-like and lacking in benevolence—to revoke all the laws adopted by Lithuania and comply only with the existing and recently adopted laws of the USSR.

"We continue our work according to schedule. You will be informed about it. Thank you."

The deputies continue the debate on the draft law on the sale of state-owned apartments to private citizens.

At 1525 GMT the tellers' commission begins to count the votes on the bill. The radio correspondent notes that many telegrams of support for the Supreme Council have been received.

At 1530 GMT the session is adjourned until 1600 GMT and the relay ends.

At 1600 GMT on 10 January Vilnius Domestic Service in Lithuanian resumes its live relay of the Lithuanian Supreme Council session in Vilnius.

Janina Mecelicaite, Lithuanian Radio correspondent, announces that the deputies are late for the start of the session.

At 1629 GMT the session resumes. Reception is extremely poor. The text of statement to the people has been composed by the editorial group. The text of a statement is read by the Supreme Council to the Lithuanian people:

"Esteemed people of Lithuania! Once again days and nights full of anxiety and perhaps fatal days have returned. However, although aware of the danger which our motherland is facing we are happy that you are with us. Your presence here is the best answer to the Soviet president's ultimatumn.

"We were, we are, and we always will be together. We extend our gratitude for your devotion and loyalty to the independence of Lithuania."

Applause follows reading of text.

Deputy Antanavicius then notes an ultimatum may yet follow and terms the communication from Gorbachev as "a rude appeal." Discussion follows on whether this is an ultimatum or a short note.

At 1635 GMT, a vote is taken on the appeal. It is adopted.

At 1637 GMT Vytautas Landsbergis notes he has received many messages of support. He reads a message from the Catholic Bishops of Lithuania, delivered to him by Father Svarinskas. The letter is signed by Cardinal Sladkevicius.

Landsbergis continues. He discusses the prime minister's post, noting the time has come to arrive at a decision concerning the formation of government. "We must begin to form a second government," he says, and asks them to support his candidate. He nominates Deputy Albertas Simenas for the prime minister's post. He proceeds to give pertinent biographical details on Simenas.

At 1650 GMT a deputy asks whether others were considered for this post. Landsbergis says he does not have to explain this.

At 1652 GMT Albertas Simenas takes the rostrum. He notes economic reform is the principal basis of independence, and welcomes questions from the floor. He answers a deputy's question on his economic stand, noting laws should be issued and strictly observed.

At 1700 GMT deputies continue their questioning of nominee Simenas. Deputy Abisala asks about utilizing some of the illustrious, intelligent individuals who were part of the former Lithuanian Communist Party. Another deputy asks whether he would be able to resign in time, if the situation clearly demanded this. Simenas says yes.

He then notes economic reform would create better conditions for everyone, without exception of any nationality or faction.

At 1710 GMT a question is asked about the size of the government apparatus. Reception deteriorates. When reception improves, Deputy Mincius asks what programs Simenas would continue and what he would reject. Simenas notes Kazimiera Prunskiene is a world-caliber personality with exceptional experience, and he would like to be able to utilize her expertise.

Simenas is then asked whether he expects the support of his faction—the Central Faction. Reply is unmonitorable. He is asked about his party affiliation, and replies he does not belong to any party.

At 1720 GMT Simenas answers a question about his family, noting he has a wife and three very young sons.

At 1725 GMT Landsbergis rejects Deputy Pangonis' question about the Central Faction being labled as rightist.

Questions about education and culture follow. Simenas notes these are part of a whole and should be treated equally.

At 1730 GMT unidentified deputy says the resignation of Prime Minister Prunskiene and its acceptance by the Supreme Council and Chairman Landsbergis was a major error, in view of the critical situation for Lithuania at this time. Reception deteriorates.

At 1740 GMT reception improves. Deputy Paleckis takes the floor. He expresses regret over the fact that decision on a prime minister must be taken under such difficult circumstances. He notes that legislators are responsible for the resignation of the government. He speaks in support of Simenas' candidacy.

At 1746 GMT, Deputy Vilkas comments on the situation, noting he had asked several deputies how they visualize Simenas conversing with Gorbachev or Mitterrand, and that he was not given an answer. He urges Simenas not to accept.

Landsbergis then comments that anyone in that post would experience difficulties, and urges the deputies not to start crucifying him now.

Another deputy points out the seriousness of the situation and stresses the fact a government is needed now, and expresses his support for Simenas.

At 1755 GMT Deputy Vagnorius takes the rostrum, noting the government's resignation should be viewed in the perspective of the world's situation.

At 1805 GMT a question is raised on whether a recess should be called. It is put to a vote. Decision to continue without recess prevails.

At 1806 GMT the next speaker supports the candidature of Simenas and wishes him well.

At 1812 GMT Deputy Zigmas Vaisvila speaks in support of the candidate and hopes friction between government and deputies will not be repeated.

At 1817 GMT Deputy Jurgis Jurgelis notes support of government official denotes respect and support for the state represented by that individual.

At 1823 GMT Deputy Aloyzas Sakalas speaks in support of Simenas, noting the need for decision quickly. Reception deteriorates.

At 1828 GMT a deputy suggests the government did not fall, nor has it been toppled, but that a normal process has taken place.

At 1830 GMT Landsbergis makes several comments. He notes some of the deputies' comments are very strange. Reception deteriorates to unmonitorable. When reception improves, he asks: "Support or lack of support—can we support ourselves?" He urges a vote in favor of Albertas Simenas.

A count is requested prior to voting and deputies elsewhere in the building are asked to come to the session hall to vote.

At 1837 GMT, 113 deputies are in attendance.

At 1840 GMT voting takes place. 72 vote for; 1 against; 29 abstain. Albertas Simenas has been appointed prime minister of the Republic of Lithuania. Applause follows.

At 1845 GMT the new prime minister is sworn in.

At 1850 GMT Simenas delivers an acceptance speech:

"Lithuania has been advancing along a difficult path since 11 March and the further along we go the more difficult it is. The first government had to advance among sweet briars, today only thorns remain.

"Today, legislature granted me a mandate and duty to serve Lithuania [passage indistinct]. Lithuania has many prominent personalities and only the present situation has granted me the right to lead the government of the Republic of Lithuania. It is very difficult for me to replace such a prominent political figure as Kazimiera Prunskiene and the enormous prestige which she enjoys today in Lithuania, in the USSR and in Western states. I think that she has served loyally and will continue to serve Lithuania loyally.

"Like all present here I fully understand those deputies who did not support me. They did not support a person, they expressed their stand and they are firmly convinced that they are right. This is true. Today it is very difficult to tell which path is correct—the middle way or whether to advance left or right. It is difficult to tell which is the best route to independence; the middle way which is somewhat shorter but difficult, or the way advocated by those people who want to reach the goal as soon as possible which is extremely difficult.

"Today we decided to choose the middle way. May it lead us to our goal. May God help us. Thank you."

At 1855 GMT announcement is made by Deputy Motieka on a request by Vladislav Shved to be appointed prime minister, as reported by the "Vremya" program, noting Vladislav Shved has appealed to Moscow to be designated prime minister of Lithuania.

At 1859 GMT the relay of Supreme Council plenary session concludes.

Landsbergis Praises Simenas, 'Political Victory'

LD1001215891 Vilnius Domestic Service in Lithuanian 1958 GMT 10 Jan 91

[Remarks by Lithuanian Supreme Council Chairman Vytautas Landsbergis in Vilnius Radio studio in the Lithuanian Supreme Council building in Vilnius—live]

[Text] Dear listeners, we have traversed yet another difficult stage, which happens at present almost every day, sometimes every hour. We confirmed today the new prime minister of the Republic of Lithuania. We are reconstructing the government; the government which continues its duties on the instructions of the Supreme Council is also working. Nobody in the world can say that there is a government crisis in Lithuania, that the legitimate government elected by the Lithuanian people is unstable.

True, there is a wish to overthrow it, to remove it. This is being attempted by an alien power, and you were informed about it just now. You, who are at present at the Supreme Council building and who with your presence help protect independence, are creating an opportunity for us to make further steps towards this sacred aim. You are described by the Soviet Union's news agencies as poeple who, armed with iron rods and chains, are striving for violence. We hear, not for the first time, this and even worse lies. Never mind, the world does not belive a single word of these liars, although they pretend to be speaking on behalf of the Lithuanian workers like some [words indistinct]. Those who must serve as a cover for a new occupation of Lithuania and the introduction of an occupation power, wish to achieve their aim by political advantures and political strikes. They attempt to stage these strikes, as at the Vilnius airport, where the officials are guided by those political forces hostile to Lithuania. They may succeed in staging some strike, they may attempt to disrupt transport, they may attempt to disrupt supplies, but they will not disrupt us who believe in our right and the independence of our country.

They invite the Soviet Union's president to introduce his military dictatorship here, and then at gunpoint they will be able to carry out a referendum. We know what kind of referendums were held in Katyn and other places, by pressing a Nagan revolver to the head.

We are not going to retreat, you are not going to retreat. Today we strengthened our positions. Today we won yet another day, yet another political victory.

I am glad that the prime minister of the Republic of Lithuania, Albertas Simenas, is among us.

Simenas, Motieka Address Lithuanians

LD1101000991 Vilnius Domestic Service in Lithuanian 1958 GMT 10 Jan 91

[Statements by Lithuanian Prime Minister Albertas Simenas and Deputy Prime Minister Motieka in Vilnius radio studio in Lithuanian Supreme Council Building in Vilnius—live]

[Excerpts] [Simenas] Good evening, I thank all people of Lithuania who support and strive for the consolidation of independence. This is proved by their examples. Today there is a large crowd in our Nepriklausomybes Aikste [Independence Square] which supports our decisions. I invite all people of Lithuania to concentrate on their work, not to succumb to political passions. We are going to attempt to create the best conditions for this. I think that an organized and honest work will give us what we are striving for. Then we will live better, all of us without any exceptions irrespective of nationality and political views. Our aim is to insure that people can work in peace, rest, enjoy life. God willing, we will really achieve this one day. [passage omitted]

[Motieka] [passage omitted] There are interesting moments. The Soviet Union's president invites to face the truth and see real reasons of the present situation in the republic. We could address and are addressing the same wish to the author of this appeal. It is not sufficient to close one's eyes, to cover one's ears, put the head in the sand so as not to see and hear what is happening here.

By the way, esteemed television viewers and all who listen to this broadcast, I and the esteemed chairman before 11 March at the Congress of the USSR People's Deputies encountered a similar situation when the future president of the same country, Mikhail Gorbachev, attempted to foist on the congress the thought that he knew nothing about the events in Tbilisi in Georgia, that a commission should be set up to investigate, report to him, and then it could be examined, conclusions could be drawn. Everything was being done to delay everything so that time could heal the wounds and so it would be possible to smother and distort the crimes committed on the initiative of the Kremlin administration, and then to accuse the people of Georgia, the inhabitants of Tbilisi. If they convinced somebody, then only themselves, but no honest person believed in what was explained at that time by the future USSR president. [passage omitted]

We all have been informed that today at 1600 the situation was really critical, it was planned in advance, there was a wish to seize power and demonstrate to the world that Lithuania was not able to have its own government, that Lithuania was not able to cope with the situation, that people of Lithuania were not supporting the Lithuanian Government and the Lithuanian leadership. [passage omitted]

I believe that the attempts to mislead people will not succeed and that they will not achieve the realization of their adventures.

Motieka Calls People To Protect Public Buildings

LD1101114191 Vilnius Domestic Service in Lithuanian 1030 GMT 11 Jan 91

[Remarks by Kazimieras Motieka, deputy chairman of the Lithuanian Supreme Council, to the Lithuanian Supreme Council in Vilnius—live]

[Text] Esteemed Vilnius residents and people of Lithuania! I wish to inform you about events in Vilnius. Despite the fact that the Yedinstvo representatives assembled in Independence Square are so far behaving more or less peacefully, apart from some trifles, events in Vilnius are developing in a completely different direction. We have received information that the Press Building has been occupied, and that there was a fight in Putnos Street. It seems that a foreign correspondent who was filming the movement of light tanks has been beaten up, and a man who was helping that correspondent was beaten up, too.

Other buildings have been occupied as well. I do not wish to talk about it; there is not enough time. As we watch from the Supreme Council building, the number of people at the Supreme Council is decreasing, while the Yedinstvo people remain standing as before. I think it has been their task to test our patience. They remain standing, waiting for our people to disperse.

At present the danger is not only potential, but also tangible. I therefore invite all Vilnius residents, resolute men, to protect the Supreme Council building and the buildings of our government. Do not forget the television tower as well. I would ask for more determination and more patience, because this small group of Yedinstvo people has gathered here to divert our attention—and then, using a convenient moment, to join the forces that will come to the Supreme Council to carry out their dirty work.

I ask you, esteemed Vilnius residents and people of Lithuania, to listen, because the situation is really serious, and gather in the places I mentioned.

Thank you for your attention. Thank you for your determination.

Prunskiene Holds News Conference on Resignation

LD1101092191 Moscow TASS International Service in Russian 0826 GMT 11 Jan 91

[By TASS correspondent K. Ustsila]

[Text] Vilnius, 11 Jan (TASS)—"Increasing prices was the only convenient means for the Lithuanian legislature to force the government to resign," stated Kazimiera Prunskiene, ex-prime minister of Lithuania, at a news conference held yesterday evening, approximately two hours before the legislature endorsed Albertas Simenas as the new head of government.

As Kazimiera Prunskiene said, "the majority of members of legislature have been carrying out systematic anti-government activity since the middle of 1990". The former head of government described as a mistake or a shortcoming in her work at the helm of the cabinet the fact that she "had not been able to achieve a demarcation in the competence of legislature and government," as well as the fact that "she had not been able, in the period between June and September of last year, to solve the problems of talks between Lithuania and the Soviet Union."

She went on to point out that "she sees no possibility or sense in taking part in the work of the future government if this should be offered to her." She explained this position by the fact that, according to her, without a demarcation of power between legislature and government, and without a mechanism for recalling deputies and in conditions of the traditions which have been built up in legislature, she sees "not the slightest chance for normal work."

Prunskiene Refuses To Work With Landsbergis

LD1001151991 Helsinki Domestic Service in Finnish 1400 GMT 10 Jan 91

[Text] The Soviet Union is increasing pressure on Lithuania. President Mikhail Gorbachev demands that Lithuania act in accordance with the laws of the Soviet Union or else the republics may be faced with having to submit to Moscow's direct rule. Lithuania's domestic policy has also drifted into chaos. No new government has been formed, and the legislature's work is at standstill. Marja Nikkila reports from Vilnius:

[Nikkila] The situation here in Vilnius is deteriorating again. The Lithuanian legislature has received from President Gorbachev a message which can well be described as the final warning. Gorbachev says that the legislature of the republic must bring into immediate effect the constitutions of the Soviet Union and Lithuania and, in addition, the legislature must withdraw the earlier approved anticonstitutional laws. Gorbachev's message means that the Lithuanian legislature must understand its responsibility. He says he has received requests from the republic for the establishment of presidential rule. The words could not be clearer.

The situation here at the legislature building has deteriorated again. The pro-Moscow groups are again expected to organise a demonstration, and the republic's own security troops with their truncheons are taking up positions in the building.

The situation here in Vilnius is further confused by the worsening government crisis. The outgoing prime minister, Kazimiera Prunskiene, is saying outright that she no longer wants to work with President Landsbergis. In Prunskiene's view the president has allied himself with forces that do not serve the economic reform any more than a businesslike management of relations with Moscow. She adds further that the radicals and the extreme right wing led by Vytautas Cepaitis are creating conditions which in this critical situation can only benefit Moscow. In Prunskiene's view it would not be necessary to dissolve the entire Lithuanian legislature because of the crisis, but she demands a law on whose basis a deputy could be excluded from the legislature. At present, in Prunskiene's view, there are some 20 people in the legislature who should be excluded. It had been demanded that Prunskiene herself should dismiss from the government members who, like herself, had a past in the Communist Party. Prunskiene has refused to do this.

The formation of a government is difficult, and already a short life is predicted for the new government.

Price Increases 'Exploited' To Oust Prunskiene

PM1001143891 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 1

[Report by IZVESTIYA correspondent N. Lashkevich: "Lithuanian Government Resigns"]

[Text] Vilnius—In the evening of 8 January, from the rostrum of the Lithuanian Supreme Council, Prime Minister K. Prunskiene officially announced the resignation of her entire government.

This was the dramatic epilogue to what was probably the most difficult and tense day for Lithuania in the whole of the time since 11 March. The prelude was a rally in which a number of the city's labor collectives took part. As a pamphlet distributed in Vilnius notes, the rally was organized by the Lithuanian Communist Party city committee and the Lithuanian Congress of Democratic Forces. A protest demonstration against price rises basically turned into a regular bloodbath. One group of demonstrators, a well-organized group to judge by their actions, stormed the building. They broke down the doors, started a scuffle with law enforcement staffers, and tried to break the glass in the windows, after which the interior guards resorted to water cannon. A reinforced police detachment, arriving on the scene, drove the demonstrators away from the legislature building. At the same time, the Lithuanian Supreme Council hastily voted to suspend the government decision on price rises. A deputies' commission to investigate the causes of the incident was formed from various factions. Thus the unexpected new prices, after existing for all of two days, were removed just as unexpectedly. From the morning of 9 January many stores in Vilnius were already trading at the old prices.

The government certainly understood very well how unpopular the measures adopted would be, but had hardly anticipated such a sharp reaction to the resolution on prices, both from deputies and from inhabitants of the republic.

"Neither Lithuania nor the USSR can get by without increasing prices," the well-known economist Professor K. Antanavicius told me. "Why was there such a painful reaction to the increases? Our legislative 'superpatriots' made great efforts here and did all they could to kindle passions, rouse the people, and thereby overthrow the government. The government's decision to resign is a disaster for Lithuania...."

Was it only dissatisfaction with the price rises that caused the government's resignation? K. Prunskiene, who had met with M. Gorbachev in Moscow in the morning, indicated clearly the reason for her cabinet's fall in a short farewell speech: The resignation is a result of the confrontation that has been in progress for six months now in relations between the government and some of the Supreme Council deputies. The population's reaction to the government decision on prices was the pretext for getting rid of an inconvenient government. Here the government's own mistakes, which, incidentally, were publicly acknowledged by A. Brazauskas, were skillfully exploited. They include excessive haste in introducing the new prices, inadequate information, and failure to think through the compensatory measures, particularly the scale of additional monetary payments. Under this scale it turned out that people who work well and earn well are reduced to the level of unskilled and poorly paid workers.

in the evening a rally was held outside the legislature building, organized by Sajudis, in support of the Supreme Council. A schedule for representatives of the city's various rayons to maintain vigil in the square outside the legislature building was announced on radio and television.

So the person who had the highest popularity rating in Lithuania over a period of many months has left the political arena. But K. Prunskiene has only left her leadership post, and it is doubtful whether she can be struck off the list of prestigious politicians and economists. She is too exceptional and unique a figure—the former prime minister of Lithuania. But who will head the new cabinet of ministers? Only one name has become known from informal sources—V. Cepaitis, chairman of the commission for human rights and nationalities affairs and leader of the Lithuanian Independence Party. By profession he is a translator of artistic literature from Russian.

Sajudis Chairman Appeals for Calm in Lithuanian

LD1001165491 Vilnius Domestic Service in Lithuanian 1533 GMT 10 Jan 91

[Appeal to the Lithuanian people by Juoazs Tumelis, chairman of the Lithuanian Sajudis Seimas—live]

[Text] The Council of the Lithuanian Sajudis Seimas invites the residents of Vilnius and other inhabitants of Lithuania to come to the buildings of the Supreme Council and the Council of Ministers, and to other installations of special significance, mentioned previously.

Various planned provocations and attempts to portray the objectives of our assembly, giving them a totally opposite explanation, are possible at the gathering places. For this reason, it is imperative that the difference between us is clearly marked. We should use placards bearing slogans such as: Free Lithuania and its parliament; we should sing Lithuanian songs and behave calmly. Let us not allow provocateurs to enter our midst.

Our common sense, our resolute determination for freedom and independence, and our calm behavior must counterbalance all provocations and the threats of the president of the foreign country.

We extend our gratitude to all those assembled.

Lithuanian Aircraft Workers on Strike

LD1001162391 Moscow Domestic Service in Russian 1430 GMT 10 Jan 91

[Report by correspondent Adolfas Paulyus from Lithuania]

[Text] The Lithuanian legislature today is continuing to discuss who can be entrusted with forming a new cabinet of ministers. The LETUVOS RYTAS and RESPUBLIICA newspapers made their own joint nomination of candidates. We see in the lists the names of Kazimiera Prunskiene and Algidras Brazauskas. EKHO LITVY report on two rallies that were staged at the Supreme Soviet building yesterday at which diametrically opposing prescription, as is written, were proposed for extricating Lithuania from the crisis. While those who came at Vytautas Landsbergis' appeal spoke in defense of the legislature, others demanded its resignation.

We were invited by Vilnius aircraft workers to their rally today. The pilots, engineers, and mechanics who assembled right on the edge of the airport were addressed by (Valeriy Nosov), chairman of the United Council of Labor Collectives.

[Begin (Nosov) recording] On the initiative of labor collectives of principal services the United Council of Labor Collectives met at 0900 today. After examining this issue, the United Council of Labor Collectives resolved, within the framework of the plenary powers granted to it by the conference of labor collectives, to support the demand of labor collectives of the principal services of the airline and the city's labor collectives to the effect that the legislature be disbanded and presidential rule be introduced in Lithuania. [applause]

In connection with the Lithuanian legislature's failure to fulfill the demands adopted at the rally of the working people of Vilnius on 9 January on disbanding the legislature, a political strike should be started at 1000 on 10 January. [applause]

Comrades, I call on everyone at the rally to support the decision of the Council of Labor Collectives. Please show your support by raising your hands. You can look around now: there is a majority! [end recording]

Then the floor was given to (Viktor Tatarskikh), chairman of the strike committee.

[Begin (Tatarskikh) recording] Comrades, the political strikes starts at 1000 local time. All collectives will join the strike by stages. At the first stage, the reservation of tickets will stop and local flights will be canceled. Our subsequent steps will be taken in accordance with the strike committee's decisions. The strike committee will continue its work right after the rally. We will make further decisions. Our primary task is to ensure flight safety and order at the enterprise, so that everything is organized and no excesses take place. [end recording]

TASS Cites Lithuanian Official on Situation

LD1101103691 Moscow TASS in English 0935 GMT 11 Jan 91

[By TASS special correspondent Gennadiy Petrov]

[Text] Vilnius January 11 TASS—The Lithuanian Supreme Soviet's decision to suspend the decree to raise retail prices in the republic has not allayed popular dissatisfaction in Lithuania. The republican government, as earlier reported, was compelled to resign.

There are long queues in Vilnius and other towns. Frightened by the 3.2-fold price hoist, people are eager to buy up everything they can. But most food products are strictly rationed and some have entirely dissappeared from shops. Strike committees are being set up at enterprises. They threaten to call a political strike.

"The latest events in Lithuania show that the republic is experiencing an acute socio-economic and political crisis," Second Secretary of the Lithuanian Communist Party Central Committee and Deputy of the Lithuanian Supreme Svoiet Vladislav Shved told TASS.

"The Lithuanian public has become critical of the policy pursued by the republic's legislature and government after the failure of their programme of 'economic and democratic reforms' and the present Lithuanian leadership's efforts to achieve international recognition," he believes. "Compared to March 1990, the Lithuanian legislature is now far from monolithic," Shved added.

"Losing the population's trust, the Lithuanian authorities are going out of their way to set up a state-legal mechanism designed to suppress dissenters, and this increases tension in the republic," Shved stressed.

"The economic situation in Lithuania," Shved continued, "is deteriorating faster than in Russia, for instance. The authorities failed to get western aid. The social crisis is increasing: the poor are becoming still poorer, and the rich—richer."

"The next Lithuanian government, which will definitely be formed of people loyal to 'Sajudis' will not remain in power for long," Shved predicted. "And then a grave legislative crisis will break out. Some 150,000 people have already signed an appeal to join the federal treaty. This is quite a number, considering that the official campaign to issue 'Lithuanian citizenship certificates' has actually fallen through," he said.

'Crisis' in Lithuanian Government Described

LD1001181791 Moscow TASS in English 1759 GMT 10 Jan 91

[By TASS World Service observer Yuriy Sizov]

[Text] Moscow January 10 TASS—No matter who becomes prime minister of Lithuania after the resignation of the whole of the Lithuanian cabinet on January 8, his rating could hardly be higher than that of Prime Minister Kazimiera Prunskiene, 47, before the new year.

Although the government resigned under the formal pretext of popular indignation over the tripling of food prices, the almost unanimous vote of legislature on the resignation of the Prunskiene cabinet shows, that it was actually the result of a confrontation between the Lithuanian Government and legislature. This is indirectly proven by the rating of Lithuanian President Vytautas Landsbergis which is considerably lower than that of Prunskiene and even lower than that of Algirdas Brazauskas, former leader of the former Lithuanian Communist Party and assistant to Prunskiene.

A crisis in relations between the legislative and executive authorities emerged in Lithuania last May, when Prunskiene, a realisticaly-minded woman, assessed soberly the political situation in the republic and its relations with the centre and suggested a temporary moratorium on the laws, adopted by the legislature, concerning Lithuania's full independence. It was she who insisted on starting a constructive dialogue between the republican leaders and the Soviet Government. Obviously, those politicians who juggle with the terms "independence" and "sovereignty", refusing to take into consideration present-day realities, did not forgive this step by Prunskiene, former member of the Lithuanian Communist Party and one of the most experienced economists and politicians in the republic.

Activists of the Lithuanian Freedom League—a small but active political organisation—accused "the communist Prunskiene government" of playing into the hands of the Kremlin, which allegedly "seeks to destablise the situation in the republic", and demanded its resignation. Member of the Lithuanian legislature Zigmas Vaisvila even insisted that the sending of an additional military contingent to the republic, the forcible drafting to the Soviet Army and the growth of prices are the result of a "conspiracy" between Prunskiene and President Gorbachev, aimed at sowing discord and under this pretext, allegedly, to impose presidential rule.

According to the former prime minister, during all her nine months in office, the pressure she had experienced from people's deputies and political parties had blocked the work of the ministers and had brought to naught their attempts to stabilise the situation.

Early in November, 1990, Prunskiene stated sadly in an interview with the monthly GIMTASIS KRASTAS (NATIVE LAND): "had I known what was in store for me, I do not think I would have agreed to this work. We never thought that the government would be a mock-up government, and the legislature would regard itself as omnipotent both in the legislative and executive spheres". Prunskiene believes that forces "which have not become what they wanted to become" are now striving for power in the republic.

Vytautas Petkiavicius, an intellectual and one of the founders of the Sajudis public-political movement, who was then moved to the background by its radical wing, is of the same opinion. The prominent writer and publicist strongly criticised the policy pursued by the Landsbergis legislature and said that in Lithuania "one dictatorship has been replaced by another, which is no better and which has already brought about a political and economic chaos in the republic". The amendments to the criminal code, adopted by the Lithuanian legislature last October, which envisage punishment to "enemies of the nation", including capital punishment with the confiscation of property, "have nothing to do with democracy and a law-governed state", Petkivicius believes.

Politics are often called the art of the possible. Judging by all appearances, this axiom has not become an integral part of the practices of Baltic legislators. The relationship between the legislatures and governments of Estonia and Latvia continues to be characterised by political confrontation. Another wave of political and economic problems facing those republics threatens to develop into a government crisis, inevitable in such situations.

Latvia's Godmanis Meets With Opposition

LD1101000691 Moscow Central Television First Program Network in Russian 2116 GMT 10 Jan 91

[Excerpts] The situation in Riga is becoming ever more complex. [passage omitted] In the building of the Latvian Supreme Soviet, the deputies of the Equal Rights group, which is in opposition to the People's Front, have met with Ivars Godmanis, chairman of the Latvian Council of Ministers. After the meeting Sergey Dimanis, the leader of the Equal Rights group, stated that the opposition recognizes the need to change the price structure but does not agree with the level established by the government and with the compensation mechanism that the government has proposed. Ivars Godmanis came out to talk to several thousand people who, following a vote, decided not to give him the floor.

The chairman of the Council of Ministers was handed a resolution of the strike committee demanding abolition of the new prices, resignation of the whole government, and dissolution of the Latvian Soviet Socialist Republic Supreme Soviet. If this is not fulfilled by noon on 14 January, the strike committee stated it would take every necessary measure to form the legislative and executive power in the Latvian SSR.

At 1500 a news conference was held by Anatoliy Gorbunovs, chairman of the Latvian Supreme Soviet.

[Begin Gorbunovs recording] There is every reason for the Latvian path of independence to continue, even if it follows the formula proposed by Mikhail Gorbachev himself. After all, he believes that in the future the Union will be a union of independent states. [end recording]

Godmanis Barred From Addressing Interfront Group

LD1001150191 Riga Domestic Service in Latvian 1100 GMT 10 Jan 91

[Report by Imants Austrins on the gathering outside the Council of Ministers building in Riga]

[Excerpts] The meeting organized by Interfront and the Council of Labor Collectives has ended. Militia workers were not notified of the meeting but it nevertheless took place. According to approximate data, more than 10,000 people participated.

The meeting, it must be said, was well organized. [passage omitted] There was also a lieutenant colonel of the Soviet Army, who did not give his name and also refused to tell it to the journalists. He expressed its view that the Army will support the demands of the working people for the resignation of the Godmanis government and will assist in its fall perhaps even by methods involving the use of force.

The participants demanded that Prime Minister Ivars Godmanis himself speak to them. Shortly before 1200, Godmanis came out of the Council of Ministers building, whereupon the organizers of the meeting quickly held an improvised vote, and Godmanis was not allowed to speak. I do not think, however, that this reflected the opinion of all those present. [passage omitted]

After the meeting, from talking to those who had gathered, it became clear that the policy on prices and the mechanism of compensation have not been satisfactorily explained to Russian audiences. I think that this situation can still be repaired, and on this note I shall end today's review.

Latvian Officials To Meet Yazov About Troops

LD1001195591 Riga Domestic Service in Latvian 1830 GMT 10 Jan 91

[Summary] At a news conference at the Supreme Council today, Anatolijs Gorbunovs and Janis Dinevics replied to foreign correspondents' questions. To the question whether Godmanis' government would resign, as the Interfront demanded at today's meeting, Gorbunovs replied that the Supreme Council supported the democratically formed government and its price increases policy. "But another question at the news conference was connected with the order by Minister of Defense Yazov on bringing paratroopers into Latvia. The reply: the Supreme Council has assumed responsibility for its eligible draftees, but tomorrow in Moscow Ilmars Bisers, the republic's first deputy chairman of the Council of Ministers, and Juris Dobelis, deputy chairman of the Supreme Council's Commission for Defense and Internal Affairs, will talk about these questions with Yazov. The foreign correspondents were interested in many more questions connected with the present political situation in Latvia".

Decision Expected After Meeting

LD1101105891 Riga Domestic Service in Latvian 0700 GMT 11 Jan 91

[Text] Our republic's minister of internal affairs, Aloizs Vaznis, has talked with representatives of the Baltic Military District Command about the young men who are performing alterative service in the militia and in fire service units. A bilateral understanding of standpoints has been reached that these services should be considered to be among military ones, and that the boys sent there should be left to continue that activity.

The militarists, however, intend to adopt a final decision only after the Ilmars Bisers, first deputy chairman of the Latvian Republic's Council of Ministers, and Supreme Council commission leader Juris Dobelis meet with USSR Defense Minister Dmitriy Yazov.

Riga Official on 'Dissatisfaction' With Leaders

LD1001230791 Moscow Central Television First Program Network in Russian 1800 GMT 10 Jan 91

[Report by correspondent Kasyanova from Riga on 10 January, including interview with Sitsionis independent agency head D.A. Igonin, from the "Vremya" newscast—recorded]

[Text] In Riga today many thousand strong pickets were set up in front of the Latvian Council of Ministers building.

[Kasyanova] People have lost their patience following the introduction of new prices. Food prices have risen by over 400 percent. Charges for electricity, consumer services, transport, and even mail have been redefined. The cost of living will more than double. The subsistence level, calculated even superficially, will reach the 221 ruble threshold in the first months of 1991. The costs have risen to the extent that it takes your breath away. But negotiations about compensation have just begun. At the same time, the volume of production is sharply falling. The provision of the population with consumer goods and foodstuffs is getting worse. The independent agency, Sitsionis, has been operating in Riga for more than a year—in Riga, the town where over a third of the republic's whole population lives. Sitsionis has created a sociological monitoring system for studying public opinion on current issues.

[Begin recording] How would you comment on today's events near the Council of Ministers?

[Igonin] The data following our surveys conducted from May to December last year points to a steady fall in the popularity of politicians in the republic, including government politicians. The fall in their authority is perhaps leading to the fact that people begin to view government actions differently—for example, the latest government actions in the economic policy. I can also refer here to the results of our latest polls on the attitude toward the problematic recall of legislators and deputies from the organs of power.

It may be noted that both Latvians and Russians are unanimous in their view that there is now a need for a law on recalling deputies. Indirectly however, this indicates dissatisfaction among town residents with the activity of legislators. [end recording]

Protests Against Price Hikes Urged in Latvia

LD1001171991 Moscow TASS in English 1550 GMT 10 Jan 91

[By TASS special correspondents Aleksandr Antsiferov and Valeriy Zaytsev]

[Text] Riga January 10 TASS—A meeting held in Riga on Wednesday evening called on workers, public, political and trade union organisations and citizens of Riga and all Latvia to join mass protest actions today, on January 10.

The meeting was attended by representatives from factories, party, public and trade union organisations as well as deputies from the Soyuz group at the Riga city and district councils.

This call was prompted by decisions taken by the Latvian Government to more than triple retail prices. The decisions came into force on January 3.

Addressing the meeting, Latvian Communist Party leader Alfred Rubiks, leader of the Ravnopraviye

(Equality) group at the Republican Parliament Sergey Zimanis and others stressed that the sky-rocketing price hike brings the majority of the Latvian population to the poverty line.

The per head subsistence level after the introduction of new prices will amount to 243 roubles per month, while the two-thirds of Latvian citizens have an average income of under 200 roubles each. The government promised a 66-rouble compensation for each Latvian citizen.

But this money is to be paid by enterprises from their funds. However, most enterprises are unable to shoulder these expenses.

Speakers at the meeting said that the deficit in the republican budget developed, above all, due to a disarray in industry and agriculture. This disarray was largely created by authorities which are deliberately breaking off relations with the Soviet Union.

In addition, many dozen millions of roubles are now spent on big salaries of new bureaucrats, on the establishment of the customs service, Republican security forces, etc.

It is planned in 1991 to spend 65 million roubles, instead of 15 million last year, on the state bureaucratic machinery.

The meeting in Riga supported a proposal by Latvian legislators forming the Ravnopraviye (Equality) group to suspend the decision by the Latvian Government on the price hike until a programme for social guarantees, compensation for a growth in prices and charges and income indexation is drafted.

Some speakers voiced more radical demands: the resignation of the present government and the formation of a coalition government of national concord. There were also demands to dissolve the Latvian legislature and hold early elections.

These demands were today voiced by hundreds of demonstrators in front of the Latvian Government building.

'Assault Regiment' Deployment Suspended in Estonia

Republic Must Institute Draft

LD1101101491 Moscow TASS International Service in Russian 0824 GMT 11 Jan 91

[By TASS correspondent]

[Text] Tallinn, 11 Jan [TASS]—Colonel General F. Kuzmin, commander of the forces of the Baltic Military District, has announced that the deployment of an assault regiment on the territory of Estonia has been suspended, but on the condition that the republic organizes a call up for military service by its own efforts. R. Tamme, chairman of the Commission for State Defense of the Estonian Supreme Soviet, reported this.

"The situation is actually very complicated, and politicians have to display wisdom as well as flexibility and reasonableness, and not remain the captive of ambitions," Lieutenant Colonel B. Kuznetsov, head of the Political Department of the republic's Military Commissariat, told a TASS correspondent. It is known, however, that a telegram has been sent to USSR President M.S. Gorbachev, which is signed by A. Ruutel, Chairman of the Estonian Supreme Soviet, and E. Savisaar, the chairman of the Estonian Council of Ministers. It states that the republic is a sovereign one and will, just as before, adhere to the course adopted on 30 March 1990 and will not agree to any action that is in contradiction of this course.

This autumn, only those who went to the military registration and enlistment office voluntarily were called up, B. Kuznetsov, continued. As far as doing alternative service is concerned, 8,000 conscripts have taken advantage of this opportunity, and more than 1,000 young men did not go anywhere to do military service. There is hardly any monitoring of the situation.

Estonian Youths Urged to 'Ignore' Soviet Draft

LD1001143891 Tallinn Domestic Service in Estonian 1800 GMT 8 Jan 91

[Text] We will talk now about forcible conscription. We have enjoyed calm in Estonia today, in the sense that there has been no official news of paratroopers and no incidents with the young men who are in danger of being drafted. However, Toomas Kork, chairman of the Republic of Estonia alternative-service commission, spoke and said once again that the young men doing alternative service have been given leave and that lists everywhere should be kept in a safe place so that they cannot be found.

This evening we received another piece of news: The alternative service commission at the Tallinn City Council says that currently cards are being delivered to 16-year-old youths inviting them to report to military commissariats. The commission recommends that young men resolve the issues of their registration at departments of state and border defense which have been set up at rayon governments. We recommend that you ignore the cards of USSR military commissariats.

Estonian Finance Minister on Talks With Pavlov

LD1001221891 Tallinn Domestic Service in Estonian 1000 GMT 10 Jan 91

[Report by station correspondent Jaan Raudsepp from Moscow, including interview with Estonian Finance Minister Rein Miller—recorded]

[Excerpt] So the meeting with Pavlov, USSR minister of finance, planned for yesterday, took place only today. [Estonian Finance Minister] Miller, how did the discussion go?

[Miller] There was no final crossing of t's at the discussion, and in principle an agreement was today achieved to the effect that the USSR Ministry of Finance will tomorrow look through out stands once again, and at 0900 on Saturday [12 January], another meeting will take place between Pavlov, Savisaar, and myself, in order to clarify those stands.

The main issue is namely that proceeding from the proposed draft agreement, it is intended to collect some 800 million rubles altogether toward the Union budget. In addition it is also envisaged that there will be payments amounting to 600 million rubles by [our] republic toward the stabilization fund. So, in total, the republic should pay—in the way of payments, be they into say the budget or the stabilization fund—1.4 billion rubles in total.

Today we had a very serious discussion with Mr. Pavlov on the subject. In my opinion he understands that it is not realistic to jump from 240 million rubles [last year's Union tax paid by Estonia] to 1.4 billion rubles. For this reason tomorrow we must still clarify certain calculations at the Union Ministry of Finance, and another clarification of stands will take place on Saturday morning. [passage omitted]

RSFSR

Yeltsin Addresses Congress on Food Shortages

LD1001164791 Moscow Radio Rossii Network in Russian 1145 GMT 10 Jan 91

[Passages within quotation marks recorded]

[Text] At the Second Congress of People's Deputies of the Russian Soviet Federated Socialist Republic [RSFSR]—an extraordinary congress—a special extraordinary commission on foodstuffs was set up. It is headed by Boris Nikolayevich Yeltsin, chairman of the RSFSR Supreme Soviet. This special commission met for the first time on 9 January and today, esteemed listeners of Russia's Radio, you have an opportunity to attend that meeting yourself, as if you were there. Here is the report which I recorded in the Russian parliament. Just listen to the speech by Boris Nikolayevich Yeltsin, the head of the Russian parliament, at the very start of the special commission meeting. This will give you some idea of how complicated the situation in Russia has now become.

[Yeltsin] "Food resources in the country by the beginning of winter 1990-91 were at a level that corresponded overall to the level last year, although there were differences with regard to certain individual commodities. These resources, and also current planned deliveries of imported foodstuffs, made it possible to ensure the sale of consumer goods, of foodstuffs, at last year's level per head of population on the average. A considerable volume of centralized and decentralized food aid from abroad is also likely—from governments, private firms, public organizations, and individual citizens on humanitarian grounds.

Why is it, then, that hold-ups in food supplies throughout the country as a whole and in the Russian Federation are being felt particularly acutely in individual regions now? First, because of the refusal of producing regions to carry out centralized deliveries to other regions. Foodstuffs go into stocks and onto the market within the region. Furthermore, producing enterprises are refusing to carry out deliveries under contract because more profitable customers have made their appearance, capable of offering barter exchange arrangements. It has not been ruled out—though it has not been confirmed by precise figures—that the creation of large-scale dispersed stocks of foodstuffs is taking place in the country in the shadow economy and at non-state enterprises, which is leading to the disappearance of produce from the consumer market. Generally speaking, these and the most frequently cited reasons have been brought about by the collapse of the system for the administrative distribution of produce, and by the disorder of the monetary system, which has destroyed any incentives for the sale of foodstuffs at existing prices.

One reason for the shortages of foodstuffs is the foodstuffs blockade mechanisms, which have come into place in regions where democrats are in power. There are facts to support this. However, one cannot say now with certainty whether this is the result of deliberate actions to undermine the authority of certain leaders, or whether it is the consequences of a new policy by the producer regions to use food resources as a means of solving their own problems within the region. They have received every opportunity for so doing because of the collapse of the administrative mechanism. That is to say, there is the emergence of a conflict, not along the lines of democrats versus conservatives, but along the lines of towns versus the countryside.

The shortage of foodstuffs, despite the fact that deliveries to the retail trade network have been maintained at last year's level, is being brought about by panic buying on the part of the population, and its orientation towards the creation of individual stocks—and large stocks. The reasons for this are to be found in the population's uncertainty regarding the ability of the authorities to ensure guaranteed food supplies, and in the growth in the volume of free money in the hands of the population, which it invests in the creation of these stocks.

Changes in the structure of the incomes of the population in 1989 and 1990 have led to a change in the structure of consumption and to the appearance of population groups which, even when food sales volumes are maintained at last year's level, are going to experience problems with foodstuffs.

The political situation in connection with foodstuffs: The possibility of controlling and redistributing foodstuffs in the immediate future—during winter and spring—is going to be one of the most important power levers. It will be possible to use this to create zones of social tension and to eliminate them; to provoke conflicts and to block them; to win the support of the population for regional leadership and to deprive them of such support and bring about its resignation. In view of this, it is quite beyond dispute that some are exerting all their efforts in order to retain for themselves the right and the technical facilities to manipulate food resources. Their first task is to restore the way in which the system for the redistribution of foodstuffs can be controlled, first and foremost taking under their control the transport networks, the Ministry of Trade system, and the consumer cooperatives. The fulfillment of this task will most likely proceed by administrative methods through reinforcing law enforcement bodies, toughening up sanctions imposed for failure to fulfill plan deliveries, and creating special state and public bodies in the localities as levers to operate on the local bodies of power and others. The second task is the creation of centralized food reserves in the event of crisis situations: Most likely this will be or is already being created on the basis of imports, and possibly not even on the territory of our republic.

The third task is to take control of all deliveries from abroad. The solution will be by means of intensifying activity regarding the obtaining of credits or foodstuffs aid and the centralization of foreign currency resources, and it cannot be ruled out that all independent attempts by the republics or regions to enter the world food market will be blocked. We have already come up against this.

The fourth task is to find a way of evading responsibility in the event of the foodstuffs situation worsening in the country. This will be solved by creating political figures in the republics who are identified by public opinion and the mass media as being responsible for foodstuffs.

Without having in hand the actual levers to influence the foodstuffs situation, and without being capable of influencing politics, the Union bodies will become the very last in line in the event of the failure of this policy. A package of measures providing for these tasks will be submitted to the president as a government program of emergency foodstuffs measures.

The possible policy of the emergency foodstuffs commission of the Russian Federation: First, to join in the program of emergency foodstuffs measures proposed by President Gorbachev and find our place in it. This will evidently allow us to ensure the best conditions for providing the population with foodstuffs in winter and spring 1991, but will preserve Russia's subordinated position. Therefore it will be simpler to intensify the integration of the efforts of the Council of Ministers of Russia and the Council of Ministers of the Union.

The second variant is to conduct one's own active foodstuffs policy, and to try to create the infrastructure of executive power in order to implement it, upon which one could subsequently create the infrastructure for providing for the power of Russia's president. However, in the event of a reassessment of those possibilities that the Government of Russia has at its disposal in this sphere, there will possibly be different negative consequences. Today we have to take that into account. "

[Announcer] Many heads of Union and Russian ministries and departments were invited to a session of the emergency foodstuffs commission. They were offered the opportunity to express their opinion, and to give their own assessment of the situation that has taken shape with regard to foodstuffs in Russia. I shall cite only a fragment of the speech by Aleksandr Fedorovich Khlystov, RSFSR minister of trade. Here is the main conclusion that he drew in his speech.

[Khlystov] "The situation in the current year, 1991, is also expected to be a strained one."

[Announcer] Well, what awaits the Russians in 1991? I listened attentively to Aleksandr Fedorovich Khlystov and took some notes. Just as before, there will still be shortages in many basic foodstuffs. There will be little vegetable oil, and butter as well. The situation with bread products will be tense, too. We shall see little flour and sugar in the shops. In many towns and cities, just as before, the rationing of sugar and other basic foodstuffs will be continued. A difficult situation is expected with regard to tea, especially with imported tea, and baby foods. In the shops and in the greengrocers, it is most likely that there will be cabbage on sale until April, and there will only be enough potatoes, carrots, and beetroots to last until May. What proposals did Aleksandr Fedorovich Khlystov, RSFSR minister of trade, make to those present at the session of the emergency commission. Listen, please:

[Khlystov] "First, to intensify work at the fair that will be held on 17 through 24 January for the purchase of grocery goods. Then it is proposed to hold the same kind of fair for the organization of purchases for the areas of the far north, Moscow, and Leningrad. Commercial enterprises are themselves building up the production of foodstuffs in their own workshops. In 1990, for the first time, we envisage a billion rubles worth of confectionary, ice cream, canned fruit, and vegetables, with a growth of four percent over the 1989 level. On the auxiliary plots of the Ministry of Trade, 55,000 tonnes of pork were produced. Naturally this is not much, but it is a growth of 20 percent over last year. In 1991 we also propose to increase this growth.

Together with the Ministry of Internal Affairs, with the workers' control body, and with the state trade inspection, more than 1.5 million checks were made in 1990. Disciplinary action was taken against 75,000 workers in commerce. Approximately 8,000 people have been fined by the administrative commission. Four hundred and ten people have been given various sentences by people's courts, and 6,500 people have been sentenced by comrades' courts.

We plan to actively continue this work this year.

We consider the more rapid introduction of new retrail prices on basic foodstuffs expedient. Naturally, with the corresponding preliminary compensation, that is, avoiding the mistake that was made in Lithuania. Here, this idea was discussed beforehand at the Council of Ministers on the 4th, that is a few days before the rise in prices. Each person is to have the relevant grant. This money is being given out so that in Moscow people know that concern about them is manifested beforehand."

[Announcer] To tell the truth, in the speech by Aleksandr Federovich Khlystov I did not hear any new, interesting, and non-traditional approaches to solving the food problems in Russia. I would note—and of course my observation was not the only one at the session of the extraordinary commission; many noted this, and Boris Nikolayevich Yeltsin himself in the chair at the session made the very same observation to Aleksandr Federovich Khlystov:

[Yeltsin] "People are in their second year of living in poverty—you know about this. If you do not know, then you do not travel around, so you do not know perhaps. But we travel and we know. People are hungry. Today we say, yes it is necessary to create this system. Can we really behave so irresponsibly toward this?

As regards storage: Can we not think up some extraordinary forms of storage, maybe army depots, some bazaars, I do not know, something else, so as to preserve what today is in an unsatisfactory state of storage—namely foodstuffs. Some kind of extraordinary approaches, I repeat once more. [indistinct remark from the floor]

I also think not. Thieving is going on. The mafia is working. There is the KGB. You also have specific cooperation and a system—not just individual incidents, once, a second incident, a third incident—no. A system, a total network, the whole of Russia is covered by these controls."

Yeltsin Supports RSFSR Autonomous Republics

LD1001164991 Moscow Radio Rossii Network in Russian 1245 GMT 10 Jan 91

[Text] On our program today you will already have heard a speech by Boris Nikolayevich Yeltsin. As a rule we try to vary our broadcasts and to give air time to various figures. But since our listeners often complain of an information famine from the Supreme Soviet, and in particular on the chairman of the Supreme Soviet of the Russian Soviet Federated Socialist Republic, we decided to make an exception today. Boris Nikolayevich Yeltsin today met with a delegation from the World Jewish Congress. Among other things, Boris Nikolayevich said:

[Begin Yeltsin recording] The Russian Federation has a hundred nations and nationalities. It is our job not to allow the shedding of even half a drop of blood on the basis of confrontation between nations and ethnic groups. We must not repeat the mistake the center has made in relation to the Union republics.

Three years ago the Baltics asked for just a little bit of economic independence. The answer was no. Ah, so you say no? The feeling of national resistance and dignity comes into play and then this wheel starts spinning. So here we are; we have the situation that is in evidence today. The initial mistakes made when processes in Azerbaijan and Armenia began—gross mistakes—have resulted in today's situation. Therefore, Russia's policy, our policy, is, first: There are a hundred nations and nationalities, be they Russians or 1,200 Jews or 400 people in the north of Yakutia, the ethnic groups that are disappearing, dwindling in number. Our task is, rather, the smaller the group the greater attention it should be paid in order to preserve and support it and, at the same time, to prevent interethnic clashes.

Therefore, if an autonomous republic within the Russian Federation wishes to obtain a greater status, greater independence, and its own sovereignty, instead of opposing this—and this is where the center's mistake lies, of course—we say: You are welcome. It is a people's right, the right to self-determination, the right to choose its own status and the degree of its independence and subordination. It is up to the particular people to decide. We take a respectful attitude toward the decisions adopted by the republican Supreme Soviet. [end recording]

Decree on RSFSR Law on Enterprise Taxes

914A0288B Moscow EKONOMIKA I ZHIZN in Russian No 1, Jan 91 p 23

[Russian Soviet Federated Socialist Republic (RSFSR) Supreme Soviet decree on enactment procedures for the RSFSR Law "On Application of the USSR Law on Taxes on Enterprises, Associations, and Organizations" signed by Boris Yeltsin on 1 December]

[Text] The RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet decrees:

1. To enact the RSFSR law "On Application of the USSR Law on Taxes on Enterprises, Associations, and Organizations" on the RSFSR Territory in 1991 effective 1 January 1991.

2. RSFSR law "On Application of the USSR Law on Taxes on Enterprises, Associations, and Organizations" on the RSFSR Territory in 1991 is to apply to enterprises, associations, and organizations in their fiscal relations, starting with the results of their 1991 activities.

3. To establish that in 1991, Points 5, 8, 9, 10, and 15 of the USSR Supreme Soviet Decree "On Enactment Procedures for the USSR law on Taxes on Enterprises, Associations, and Organizations" apply on the RSFSR territory.

4. To establish as a base figure for calculating expenses for labor renumeration in 1991, expenses for the same purposes in 1990, calculated on the average monthly earnings of employees engaged in the main activity (including members of production cooperatives), in the part apportioned to product (work, services) cost, in accordance with Article 3, Point 4, of the USSR law "On Taxes on Enterprises, Associations, and Organizations," but not more than 700 rubles per each payroll employee.

5. RSFSR Supreme Soviet Committee on Legislature is to present, before 1 January 1991, for the RSFSR Supreme Soviet consideration, proposals on reconciling RSFSR legislative acts with this RSFSR law.

6. RSFSR Council of Ministers, before 1 January 1991, is to reconcile the RSFSR Government decisions with this RSFSR law.

7. RSFSR Ministry on Printing and Mass Media is to ensure publication of the USSR law with incorporation and special enhancement of changes made to it by this RSFSR law.

8. RSFSR Ministry of Finance, before 1 January 1991, to issue instruction on application of this law.

[Signed] B.N. Yeltsin, chairman of the RSFSR Supreme Soviet

[Dated] Moscow, RSFSR House of Soviets, 1 December 1990

Text of Law

914A0288A Moscow EKONOMIKA I ZHIZN in Russian No 1, Jan 91 p 22

[Russian Soviet Federated Socialist Republic law "On Taxes on Enterprises, Associations, and Organizations"]

[Text] On the basis of the Declaration of the Russian Soviet Federated Socialist Republic [RSFSR] state sovereignty, and of the RSFSR Law "On Application of the USSR Organs' Acts on the RSFSR Territory," this law defines deletions and additions to be incorporated into the USSR Law "On Taxes on Enterprises, Associations, and Organizations" for it to be applied on the RSFSR territory.

Article 1. Expenses on production and disposition of products (work, services) counted as product costs (USSR Law, Article 1, Point 3) include expenses on acquisition of patents and licenses, and also on patenting own inventions.

Article 2. Tax rate on profit of enterprises, associations, and organizations with the profit margin of up to 50 percent of the product cost is to be:

a) for enterprises, associations, and organizations under the USSR jurisdiction and in accordance with the powers voluntarily delegated to the Union—45 percent;

b) for enterprises based on a 100-percent foreign investment—30 percent;

c) for other enterprises, associations, and organizations, with the exception of those listed under "d" and "e" of this article; for consumer societies and their unions; enterprises, associations, and organizations of consumer cooperatives operating under Tsentrosoyuz; for religious associations (on income from their commercial activities) and their enterprises; and for public organizations and their enterprises, associations, and organizations—38 percent;

d) enterprises and organizations belonging to the RSFSR constituent republics or other national-state and administrative-territorial entities; for cooperatives, their unions and associations; for consumer service and municipal service enterprises—up to 45 percent;

e) for kolkhozes [collective farms], sovkhozes [state farms], interkolkhoz associations (including fishing)—on the basis of existing level of transfers to the state budget for 1990, but not in excess of 30 percent; for other enterprises, associations, and organizations of the agroindustrial complex and fishing and fisheries—up to 30 percent.

Article 3. Of the taxes on taxable profits of the taxpayers listed in subpoints "a" through "c" of Article 2 of this law (with the exception of enterprises, associations, and organizations of consumer cooperatives operating under Tsentrosoyuz, religious associations and their enterprises, and public organizations and their enterprises, associations, and organizations, tax revenue from which goes entirely into local budgets), and in subpoint "b" of Point 1 of Article 5 of the USSR Law, 13 percent (or three percent for joint enterprises of the Far-Eastern Economic Region, if the foreign share in their equity capital exceeds 30 percent) is entered into the budgets of RSFSR constituent republics or of the autonomous oblasts and okrugs, krays and oblasts, and the cities of Moscow and Leningrad, with the remaining part entered into RSFSR budget.

Article 4. Specific tax rates and procedures for tax calculations on profit of enterprises listed in subpoints "d" and "e" of Article 2 of this law, are established by the state power organs of the RSFSR constituent republics and other national-state and administrative-territorial entities.

Taxes paid by cooperatives and their unions and associations are entered into the budget of the rayon or the city on whose territory they are registered and conduct their operations.

Article 5. If the profit margin exceeds the limit established by Article 2 of this law, this excess profit of all taxpayers—with the exception of kolkhozes, sovkhozes, and other agricultural enterprises—is taxed at the rate of 75 percent. The money from this tax on all payers (with the exception of enterprises, associations, and organizations of consumer cooperatives operating under Tsentrosoyuz, religious associations and their enterprises, and public organizations and their enterprises, associations, and organizations, and enterprises listed in subpoints "d" and "e" of Article 2 of this law, the entire tax revenue from which is entered into local budgets) is entered in equal shares into the RSFSR republic budget and local budgets.

Article 6.

1. The sum of taxes on profits entered into the RSFSR republic budget and into the budgets of RSFSR constituent republics and those of other national-state and administrative-territorial entities, of lease payments, and of payments for the use of natural resources (with the exception of sums apportioned towards calculations of cost of products, work, and services in accordance with Point 2, Article 3, of the USSR law) should not exceed the maximum allowable appropriation of profits calculated in accordance with Article 2 and Article 4 of this law.

2. There is no tax on labor resources on the RSFSR territory.

3. Lease payments of the enterprises leasing state property (with the exception of amortization) are entered into appropriate budgets.

Article 7. Shareholder societies are taxed in accordance with procedures specified in Point 3 of Article 2 of the said USSR law.

Article 8. To increase the maximum share of tax-free profits used for purposes specified in subpoints "e" and "f" of Point 1 of Article 6 of the USSR law, to two percent.

Article 9. The following additional preferences are established in calculating taxable profits:

1) Taxable profit is reduced by 30 percent of enterprise profits—regardless of enterprise ownership type—earned on work involving design and construction (reconstruction) of public roads and objects of a nonproduction nature, as well as enterprise profits earned on manufacture of construction materials and all types of equipment used in residential-civilian construction.

2) For defense industry enterprises, profits earned on increased production of civilian goods and medical equipment and medicines, are not subject to tax.

3) Taxable profit is reduced by the amount of profit used for repayment of credits financing state (RSFSR) innovation programs.

4) Public organizations, additionally, not subject to taxation are: profits of culture houses and palaces, clubs, and other cultural-educational facilities of the RSFSR Federation of Independent Trade Unions used for the development of cultural-educational activities and for the improvement of social and living conditions of these organizations' employees.

5) Article 6, Point 5, subpoint "b" of the USSR law, will read as follows:

"Private and public charity funds, registered in accordance with established procedures, and their enterprises, are exempt from paying taxes on profits contributed to these funds for the purpose of carrying out their chartered activities."

6) Cooperatives (cooperatives unions) of invalids, established by invalids' public organizations and employing no less than 70 percent of persons of this category, are tax exempt.

Article 10. Point 10 of Article 6 of said USSR law will be applied on the RSFSR territory in the following reading:

"10. Additional preferences in regard to taxes on profit, within the limits of the sum of taxes paid into the RSFSR republic budget, may be granted by the RSFSR Council of Ministers.

"State power organs of the RSFSR consituent republics and other national-state and administrative-territorial may establish procedures for granting additional tax preferences within the limits of the sum of taxes due to their budgets."

Article 11. Points 3 and 4 of Article 15 of the said USSR law will apply on the RSFSR territory in the following reading:

"Terms of application and rates of the turnover tax are established in accordance with procedures defined by the RSFSR Council of Ministers.

The turnover tax is calculated and paid as a percentage of the sale (list or contract) price and based on the current turnover tax rate in state retail prices.

Revenues derived from turnover tax are entered into the RSFSR republic budget, except that part of the said revenue that is transferred to the budgets of RSFSR constituent republics or other national-state and administrative-territorial entities, in accordance with agreements between the RSFSR and its constituent republics and other national-state and administrative-territorial entities.

In order to stimulate increase in income to territorial budgets, to provide for additional transfers of up to 50 percent of the turnover tax due to a higher level budget from the sale of goods produced outside and above the state orders."

Article 12. subpoint "a" of Point 1 of Article 16 of the said USSR law will apply in the following reading:

"a) For the period of two years from the start of operations:

"Enterprises producing goods from local raw materials or waste materials (except vodka, liquors, beer, tobacco and tobacco products, plastic goods, and cosmetic and personal care items containing alcohol), provided that the cost of standard grade materials and resources used in production of such goods does not exceed 25 percent of the total cost of resources and materials;

"Folk craft enterprises engaged in selling art and craft work produced by them;

"Enterprises belonging to societies for the deaf.

"The legislature of the RSFSR and those of its constituent republics and other national-state and administrative-territorial entities may grant this preference for longer periods of time, within the limit of the total sum of the turnover tax due to the RSFSR republic budget, its constituent republics budgets, budgets of autonomous oblasts and okrugs, and local budgets."

Article 13. The following additional preferences in turnover tax are established:

Exempted from the turnover tax are:

1) Enterprises, associations, and organizations of the All-Russia Invalid Society, provided that invalids constitute no less than 50 percent of all employees of enterprises, associations, and organizations of the All-Russia Invalid Society, and no less than 30 percent of invalids during the first two years after these enterprises are transferred to this society;

2) Cooperatives (cooperatives unions) of invalids, established by the invalid's public organizations, provided that no less than 70 percent of their employees are invalids and that the goods are produced from local raw materials or waste materials.

Article 14. Interest income from loan obligations of the RSFSR Government, RSFSR State Bank, and RSFSR State Bank for Foreign Trade, or obligations guaranteed by the above, are exempt from income tax.

Article 15. Taxes on funds for labor remuneration for kolkhoz members is calculated on the annual basis, but in quarterly increments, based on the number of people who actually worked during the tax period, and the actually earned and paid wages from the beginning of the year.

Payments of taxes on funds for labor remuneration for kolkhoz members are made according to schedule established by Point 5 of Article 6 of said USSR law.

Article 16.

1. The tax rate on income from gambling casinos and slot machines that provide monetary winnings is 70 percent.

2. Income from video salons (video shows) is taxed at a rate up to 70 percent. Actual tax rate is established by the rayon soviet of peoples' deputies, with tax revenue entered into a corresponding budget.

3. Profit from mass concerts and shows in open air facilities, stadiums, sports palaces, and other facilities are taxed at the rate up to 45 percent.

The actual tax rate is established by the city soviet of peoples' deputies, or in rural areas by rayon soviets of peoples' deputies. Tax revenue is entered into a corresponding budget.

Article 17. Tax revenue received from taxpayers listed in Articles 9, 24, 31, and 32 of the said USSR law, and Point 1 of Article 16 of this RSFSR law, is apportioned as follows: 75 percent to RSFSR republic budget, and 25 percent to the budgets of RSFSR constituent republics and other national-state and administrative-territorial entities.

Revenue from tax on import and export is entered into the RSFSR republic budget.

Article 18. Enterprises that fall under the main activities of the RSFSR Ministry for Communications, Information, and Space follow budget and accounting procedures established by the RSFSR Council of Ministers.

Article 19. Points 7 and 8 of Article 37 of the said USSR law will be applied on the RSFSR territory with the following substitution of administrative penalties:

100 to 200 rubles [R] is replaced by R200 to R500 penalty;

R200 to R300, by R500 to R1,000 penalty;

R200 to R1,000, by R1,000 to R5,000 penalty.

Article 20. As this law goes into effect on the RSFSR territory, the following will not be applied: last sentence of Point 1 on the introductory part; Articles 4 and 5 (except subpoint "b" and the third and fourth paragraphs of subpoint "d" of Point 1); subpoint "b" of Point 5 and Point 9 of Article 6; second part of Article 29; second paragraph of Point 3 of Article 31; Point 3 of Article 32; and Article 33 of the said USSR law;

Point 5 of Article 32 of the said USSR law will be applied, by substituting for the words "entered in equal shares into the all-Union budget and the budget of that union or autonomous republic on the territory of which the enterprise and organization paying the tax is located" the words "entered in accordance with Part 1 of Article 17 of this RSFSR law";

will be applied: paragraph 2 of the introductory part of the said USSR law by substituting for the words "in accordance with USSR laws" the words "in accordance with RSFSR and its constituent republics' laws"; subpoint "c" of Point 1 of Article 1 by substituting for the words "except USSR Gosbank [State Bank]" the words "except USSR Gosbank and RSFSR Gosbank"; Point 2 of Article 1, Point 5 of Article 3, second part of Article 10, Points 2 and 4 of Article 16, paragraph 2 of Point "b" of Article 18, paragraph 2 of Point 4 of Article 3, Part 1 of Article 27, and Part 2 of Article 30 of the USSR law—by substituting for the words "USSR Council of Ministers" the words "RSFSR Council of Ministers"; paragraph 2 of Point 4 of Article 3 and Article 7 of the USSR law—by substituting for the words "USSR Supreme Soviet" the words "RSFSR Supreme Soviet"; paragraph 4 of Point 1 and Point 3 of Article 2, Point 1 and paragraph 1 of Point 3 of Article 3, Point 7 of Article 8, Point 3 of Article 36, and the first part of Article 39 of the USSR law—by substituting for the words "USSR laws" the words "USSR and RSFSR laws"; third paragraph of Point 5 of Article 8, and second paragraph of Point 3 of Article 13 of the USSR law—by substituting for the words "USSR banks" the words "USSR and RSFSR banks"; first part of Article 29 of the USSR law—by substituting for the words "USSR Supreme Soviet" the words "RSFSR Supreme Soviet" and deletion of words "in the process of adoption of the Union budget for the next period"; Point 1 of Article 32 and first paragraph of Point 1 of Article 34 of the USSR law—by substituting for the words "USSR international treaty" the words "USSR or RSFSR international treaty"; second paragraph of Point 1 of Article 34 of the USSR law—by substituting for the words "USSR special agreements" the words "USSR or RSFSR special agreements."

Article 21 Instructions on application of this law are issued by the RSFSR Ministry of Finance.

[Signed] B.N. Yeltsin, chairman of the RSFSR Supreme Soviet

[Dated] Moscow, RSFSR House of Soviets, 1 December 1990

Filshin on Yeltsin-Gorbachev Budget Agreement

LD1001115691 Moscow Central Television First Program Network in Russian 2045 GMT 9 Jan 91

[Report by Tatyana Mitkova on interview with Gennadiy Filshin, deputy chairman of the Council of Ministers of the Russian Soviet Federated Socialist Republic, by Vladislav Flyarkovskiy on 9 January; place not given—recorded]

[Text] [Mitkova] The USSR Supreme Soviet has been working in committees and commissions. Disagreements between the republics both among themselves and with the center were discussed, above all Russia's decision to reduce its contribution to the USSR budget. At the USSR Council of Ministers it was reported that President Gorbachev and Russian parliament Chairman Yeltsin had found an acceptable compromise in this connection. There will no longer be a war of budgets. Essentially there has not ben such a war and there could not be one—it was a purely an economic matter, that is what Gennadiy Filshin, deputy chairman of the Russian Federation Council of Ministers believes. Vladislav Flyarkovskiy spoke to him today.

[Begin recording] [Flyarkovskiy] Gennadiy Innokentyevich, it has already been reported that an agreement on the two budgets, the Union budget and the republican budget, has been reached between Chairman Yeltsin and President Gorbachev. However, the press has noted that Russia, nevertheless, for most of its principles, has maintained its positions. So have you come to an agreement or have you maintained your positions?

[Filshin] I happen to believe that this is compatible. That is to say, in my view the budget drawn up by Russia does not contradict the Union budget.

[Flyarkovskiy] What do you have to say in connection with the reduction in the share of the budget which the republic is contributing to the Union budget: 80 billion is the figure reported in the press. This is about 40 billion rubles less than last year.

[Filshin] The arguments which took place were conducted at a level which I would say was more political than economic. For instance, if expenditure is transferred—that is, is being thrust onto the republics, and as you can see, the center has long ago transferred all social problems to the republics—then it is natural that the revenue items, which fed that social expenditure, must transfer together with that expenditure. That is why...

[Flyarkovskiy, interrupting] That is why the figures are changing, and the debate is on this point.

[Filshin] That is why the debate is on this point. [end recording]

U.S. Aid Consignment Distributed to Oblasts

PM1001113391 Moscow PRAVDA in Russian 8 Jan 91 Second Edition p 6

[Report by correspondent N. Kireyev under the "Ticker Tape" rubric: "Gift From Americares"]

[Text] The other day a Boeing-747 brought from the United States 110 tonnes of high-quality medicine, medicinal preparations, health products, baby food, and vitamins... All this is a gift to our people from the American company Americares. This valuable cargo was then transported from Sheremetyevo to Tula in 11 Kama trucks. There it was distributed among Tula, Orel, Ryazan, and Kaluga Oblasts.

Democratic Russia Plenum Slated for 12-13 Jan

PM1001113791 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p 4

[INTERFAX report under the "At Parties and Public Movements" rubric: "Position Elaborated"]

[Text] Moscow—A session of the "Democratic Russia" Coordinating Council was held 3 January in Moscow, chaired by one of its leaders, USSR People's Deputy Yuriy Afanasyev. It was decided that the final stage of the Council of Representatives Plenum be held in the capital 12-13 January when documents setting out "Democratic Russia's" position on fundamental problems relating to the country's national-state system and questions of ownership, along with questions of social policy, are to be discussed.

Most Leningraders Favor Free Enterprise Zone

PM1001122591 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p 2

[Report by Yevgeniy Solomenko under the rubric "Direct Link": "Difference of Opinion Between Leningrad City Soviet and Leningraders"]

[Text] Leningrad—Will the Leningrad region become a free enterprise zone? This question was the subject of a pointed debate among deputies of the city and oblast soviets.

A decision was deferred: Too many doubts and objections to the proposed concept were voiced. But how do the city's inhabitants regard this idea? The majority say "yes" to the zone. This is borne out by the results, published in the local press, of a poll conducted by the Leningrad Sociological Scientific Research Center.

According to these data, 58 percent of those polled support the project for a Leningrad free enterprise zone. It is revealing to see what hopes are pinned on the project's realization. Precisely 46 percent expect the zone to give them a better supply of goods, while exactly the same percentage count on a better quality of leisure. Precisely 29 percent expect good housing conditions of the zone, and 34 percent believe that they will be able to find better jobs.

What role do those polled allocate to themselves in the functioning of the free enterprise zone? It is characteristic that just 14 percent expressed readiness to set up in private business. However tempting it is to take advantage of the fruits of enterprise, it is rather frightening to rush oneself into this new and until very recently seditious matter.

Leningrad Probes Attempted Murder of Official

PM1001165191 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 1

[Unattributed report: "Attempted Murder of Chairman"]

[Text] There has been an attempt on the life of V. Chaus, chairman of Smolninskiy Rayon Soviet, Leningrad.

He had come out of his apartment and was descending the stairs when someone hit him on the head from behind with a heavy object. A hammer wrapped in a rag was found at the scene of the assault. V. Chaus was taken to the hospital. He is in satisfactory condition. Criminal investigation officers are carrying out an investigation of the incident. They have ruled out mugging and attempted robbery as motives.

Chelyabinsk Official Denies Impending Curfew

PM1001091391 Moscow PRAVDA in Russian 9 Jan 91 Second Edition p 2

[Report by PRAVDA correspondent V. Cherepanov under the "Follow-Up" rubric: "Nonexistent 'Special Period'"]

[Text] Chelyabinsk—PRAVDA published on 26 December 1990 a commentary headlined "Are We Waiting for X-Hour?", based on a local press report regarding the secret preparation of passes in Chelyabinsk "for the right to move around the city during a special period."

When this was made public, it provoked quite justifiable concern among the citizens. In this context, N. Filippov, deputy chief of the oblispolkom [oblast soviet executive committee] Internal Affairs Administration, said the following:

The USSR Law "On the Legal Regime of a State of Emergency" adopted 3 April 1990 has imposed on executive organs, including internal affairs organs, a whole series of definite functions which include organizational measures connected with the possible introduction of a curfew and passes for citizens. However, when drawing up the sample pass, V. Dushko, deputy chief of the gorispolkom [city soviet executive committee] Internal Affairs Administration, failed to coordinate it with the higher-ranking leadership and consequently it wrongly spoke of a "special period" being in effect instead of a "curfew"; he failed to ensure the safekeeping of the printed forms and permitted major inaccuracies during a conversation with press representatives for which he has suffered disciplinary punishment.

So, there is no need to introduce a curfew in Chelyabinsk. But, as we can see, public opinion can only be reassured by comprehensive information about law-enforcement organs' actions.

Altay Public Protest Food Price Increases

PM1001162791 Moscow PRAVDA in Russian 10 Jan 91 Second Edition p 2

[TASS report: "Passions Over Prices"]

[Text] Barnaul, 9 Jan—Demands for the kray leadership to resign and for deputies at all levels to be recalled have been voiced at rallies and spontaneous meetings held over the past few days in the cities and villages of Altay Kray. This was prompted by the decision of the kray Soviet of People's Deputies Presidium to considerably increase the price of meat and some dairy products in cooperative trade as of 3 January 1991 over the entire territory of Altay Kray.

The sociopolitical situation is particularly heated in the kray center. Protest actions there have been held by workers at all industrial enterprises. The situation regarding prices of meat and dairy products was discussed at a session of the Barnaul City Soviet, which appealed to the Russian Soviet Federated Socialist Republic Supreme Soviet to urgently review the situation prevailing in the consumer market.

The document stated in particular that the removal of government subsidies for meat and dairy products in the consumer cooperative system as of early January 1991 has led to sharp rises in the price of these foodstuffs. Low stocks do not make it possible to supply the city's residents with meat and milk at state prices. This, together with the lack of a mechanism to compensate for the price rises, was what caused the indignation among Barnaul's residents.

Crash Reported on Moscow-Rostov Railroad

PM1001105791 Moscow Central Television First Program Network in Russian 2124 GMT 8 Jan 91

[Report by A. Abramenko; from the "Television News Service" newscast]

[Text] [Abramenko] These scenes were filmed by our camera team this morning at the 1,309-km mark of the Moscow to Rostov railroad line. According to preliminary information, the crash between the passenger electric train and a freight train traveling on a parallel track in the opposite direction was caused by a freight flatcar that jumped the track. The fire which flared up in the passenger train after impact completely gutted four passenger cars. Traffic was halted for several hours.

The law enforcement organs will establish the precise causes of the crash. Fortunately, the passengers who were traveling in the electric train this morning escaped with bruises. There were no casualties.

Western Republics

Moldovan Communists Welcome Presidential Decree

LD1001224691 Moscow Domestic Service in Russian 1500 GMT 10 Jan 91

[Text] Communists and the majority of the population have received the decree of the country's president on measures to normalize the situation in the republic as a most important and concrete step aimed at getting out of the socio-political crisis and preserving the territorial integrity of Moldova. Republican and party press organs today published the resolution of the Bureau of the Central Committee of the Communist Party of Moldova, in which the party organizations' tasks to ensure the implementation of this decree have been laid out.

Moldovan Alliance for Independence Founded

LD1001225191 Moscow TASS International Service in Russian 1638 GMT 10 Jan 91

[By TASS correspondent Fedor Angeli]

[Text] Kishinev, 10 Jan (TASS)—A National Alliance for Independence "16 December" [beginning of Romanian revolution in 1989] has been set up in Moldova. Its founders are nine public organizations in the republic, including the People's Front, the Christian-Democratic League of Women, the Democratic Youth Organization, and the Association of Victims of the Stalinist Repressions. The main objective of the alliance is to oppose the signing of a new Union treaty.

Moldovan Party Plenum Postpones Conference

PM1001112791 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p 4

[Report by correspondent E. Kondratov under the "In Parties and Public Movements" rubric: "In the Quest for New Ideas"]

[Text] Kishinev—The Moldovan Communist Party Central Committee has held a plenum in the absence of First Secretary P. Luchinskiy, who is recuperating after an operation. It discussed the new ideas that are to be taken to the upcoming republic party conference. However, the draft political document setting out the Central Committee's position was not even ratified—it was decided to finalize it after discussion with the party masses. The date of the conference was even postponed for two weeks—it will be held on 26 January.

Communists in Tiraspol and other rayons in the Dnestr area will obviously be disappointed at this postponement. They held the first stage of their regional party conference at the end of December and discussed the formation of an autonomous Dnestr party organization on the CPSU platform. After some debate they decided, however, to wait until the republic forum to see what position the Moldavian Central Committee would adopt and only then to hold the second phase of the Dnestr Communists' regional conference and finalize the matter.

Donetsk 'Coal Barons' Not To Cut Supplies

PM1101102491 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 2

[Nikolay Lisovenko report under "Direct Line" rubric: "The Strike Committees Clarify Their Position"]

[Text] Donetsk—A collective telegram sent to the leadership of the USSR and the Ukrainian SSR [Soviet Socialist Republic] by the general directors of Donbass coal mining production associations, announcing that effective 10 January fuel dispatches will cease, caused general alarm among miners.

A session of the Donbass regional strike committee was called to discuss the situation that had arisen. While the members of the strike committee were exchanging opinions about the statement by the "coal barons," who threatened, with the agreement of the work force, to stop fuel dispatches because settlement prices for coal have not yet been fixed, they received a government telegram signed by V. Gladush, deputy chairman of the Ukrainian SSR Council of Ministers. It said that the coal production associations' economics managers are invited to Kiev on 14 January to make a final decision on the question of settlement prices for coal, together with the leaders of the Ukrainian SSR Finance Ministry, the Ukrainian State Committee for the Coal Industry, the Ukrainian Administration for Coal Supplies and Sales, and all the others, who must find a rational and generally acceptable solution to an economic problem of vital importance.

The telegram also mentioned that up to the end of January, payment for coal dispatched will be be made at the price for the fourth quarter of last year multiplied by a factor of 2.2. This temporary solution to the problem satisfied all the members of the Donbass strike committee and consequently they agreed not to halt fuel dispatches after 10 January. Incidentally, the "coal barons" also gave their unanimous agreement.

Some of the media reported only part of the truth by focussing attention on the fact that the strike committee members apparently did not support the general directors' demands. They did in fact support them, but when they got V. Gladush's telegram they agreed to continue dispatching coal. This point should be clarified, according to A. Tupikin, member of public-state commission for monitoring the implementation of USSR Council of Ministers resolution No. 608.

'Democratic Congress' Scheduled for 26-27 Jan

PM1001125991 Moscow IZVESTIYA in Russian 9 Jan 91 Union Edition p 4

[Report by correspondent S. Tsikora under the rubric "In Parties and Public Movements": "Agreed to Hold Congress"]

[Text] Kiev—The constituent conference of the Democratic Congress will be held in Kharkov 26-27 January 1991. Representatives of independent political parties and movements in three republics have agreed on this. Meeting in Kiev, the congress organizing committee issued a statement explaining the reasons and purposes of holding it. They are formulated as "the need to consolidate democratic forces for the peaceful elimination of the totalitarian regime and the creation of sovereign states and their community as the most acceptable, civilized way to dismantle imperial, unitary structures." The statement is signed by representatives of the United Democratic Party of Belorussia, the Republican Party of the Russian Federation, the Ukrainian Party of Democratic Revival, the Ukrainian Democratic Party, and the Ukrainian Social Democratic Party. The congress participants will examine two questions—a community of states and the creation of a Democratic Congress of independent parties and movements of a social democratic, liberal, and general democratic tendency.

Caucasus

Nishanov Backs Gorbachev South Ossetian Decree

LD1001191191 Moscow TASS in English 1839 GMT 10 Jan 91

[Text] Moscow January 10 TASS—"If one analyses the situation carefully, without emotion, it will become obvious that the president acted within the competence defined by the Soviet Constitution and in the interests of the peoples of the republic," Rafik Nishanov, chairman of the Council of Nationalities of the Soviet parliament, told TASS, commenting on recent speculations concerning the presidential decree "on some legislative acts, adopted in the Republic of Georgia in December 1990".

"It should like to point out that, following the deterioration of the situation in South Ossetia, Leonid Gorshkov, member of the Commission for Nationalities Policy and Inter-Ethnic Relations under the Council of Nationalities, visited Tbilisi and Tskhinvali. He had several meetings with heads of the Georgian parliament and coordinated measures aimed at bringing the situation back to normal", Nishanov continued.

During the drafting of the presidential decree, its main provisions were coordinated with leaders of the republic, he stressed. On the suggestion of heads of the Georgian parliament, significant changes were made in the initial text of the decree.

It is surprising that the republican leadership, after taking part in forming the decree, is now disputing it, Nishanov said.

Rally Protests Decree

PM1001151291 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 2

[Report by Besik Urigashvili from Tbilisi under the "Direct Line" rubric: "Georgian Supreme Soviet Rejects Decree"]

[Text] In an emergency session the Georgian Republic's legislature characterized the USSR president's decree concerning the events in the former South Ossetian Autonomous Oblast as gross interference in the internal affairs of a sovereign state and an encroachment on its territorial integrity.

The resolution adopted by the Supreme Soviet notes in particular the illegality of the provision in the decree which talks about the withdrawal of Georgian militia subunits from the region's territory, since these are operating on Georgian territory and carrying out their legitimate functions of maintaining order.

The resolution confirms the legality of the Georgian Republic's recently adopted law on the abolition of the South Ossetian Autonomous Oblast. In the parliament's opinion, it was the artificial creation of a national state autonomy on territory that had been Georgian from time immemorial, following the occupation of Georgia in 1921, that was the root cause of the interethnic conflicts. These actions, which were provoked by the center and local separatists, threatened Georgia's territorial integrity. The parliament reaffirmed every kind of support for all forms of national and cultural autonomy, not only for the Ossetian people but for all peoples living in Georgia

Yesterday there was a rally attended by many thousands of people outside the legislature building, at which speakers were sharply critical of the presidential decree. They demanded that the legislature take a firm stand and assured it of the support of the entire Georgian people. Yesterday, however, in the city of Gori, where many people of Ossetian nationality live, 12 Ossetians declared a hunger strike to the death as a mark of protest against the president's decree. There was a rally attended by many thousands of Gori's Ossetians in support of the Georgian parliament's decisions and the national liberation movement.

'No Easing' of South Ossetian Situation Seen

LD1101113191 Moscow TASS in English 1054 GMT 11 Jan 91

["Passions High in South Ossetia"—TASS headline]

[Text] Moscow January 11 TASS—Thursday saw no easing of the situation in South Ossetia.

According to data made available to TASS at the Soviet Interior Ministry's press centre, three people with gunshot wounds were brought to a hospital in the city of Tskhinvali on the night of January 9 to 10.

Ossetian hostages—a Soviet Army serviceman and five civilians—have been released. The Ossetian side also freed three Georgian hostages.

During an armed attack on the Znauri District Department of Internal Affairs on January 9, unidentified gunmen seized 17 AKM submachine-guns. People fired upon Ossetian-inhabited houses in Andzisi and Prisi villages.

Soviet Interior Ministry representatives in the conflict area believe the leadership of the Georgian Interior Ministry is increasingly aware that it was a mistake to send large forces of the republican militia to South Ossetia and that they are unable to accomplish the assigned task.

According to information TASS received from unofficial sources, unidentified people drove a car with the Georgian flag and without number plates around Tskhinvali last night, sporadically firing from it. The car was detained by interior troops but the "passengers" managed to flee. A submachine-gun with cartridges was found in the car.

Militia Precinct Attacked

LD1101073491 Moscow TASS in English 0726 GMT 11 Jan 91

[Text] Moscow January 11 TASS—The situation in South Ossetia deteriorated over the past day, the press centre of the Soviet Interior Ministry reports. The local Ossetian population negatively responded to the results of a session held by the Georgian parliament, which regards the presidential decree of January 7 an "interference in Georgia's domestic affairs".

Barricades were being built in Tskhinvali, capital of the autonomous republic, and shots were heard in the streets. Several people were wounded. Thirteen buses with Georgian militia officers arrived in Tskhinvali.

According to unofficial reports, a district militia precinct was attacked in Znauri district of the South Ossetian Autonomous Region, where law enforcement officers were disarmed, and some of them beaten. Attackers seized weapons kept in the district precinct.

TASS reports from Vladikavkaz that a joint sitting of the emergency session of the North Ossetian parliament and the session of the Vladikavkaz City Council was held there on Thursday [10 January]. The sitting discussed the presidential decree of January 7 on some legislative acts adopted in the Georgian Republic in December 1990.

Deputies noted that the population of the North Ossetian Autonomous Republic regards the presidential decree as a timely and necessary measure to stabilise the crisis situation in South Ossetia. They approved an appeal to the peoples of Georgia and South Ossetia.

Deputies called on the conflicting sides to display self-control and wisdom and sent a telegram to President Mikhail Gorbachev.

Casualties Reported in Nagorno-Karabakh Attacks

LD1101144991 Moscow TASS in English 1123 GMT 11 Jan 91

[By TASS correspondent Vadim Byrkin]

[text] Stepanakert January 11 TASS—Tension is growing in the Nagorno-Karabakh Autonomous Region, Azerbaijan. Three servicemen, an Azerbaijani woman journalist and driver were killed in Shusha district on Wednesday [9 January], and more people died later.

Head of the Martuni district militia office Valeriy Gabrielian told TASS that unidentified people fired on a car near the Azerbaijani village of Karadagly in the evening of January 9.

Villager Sultan Bairamov was heavily wounded and later died in hospital.

Later in the day, a car was fired on with automatic weapons at 1800 in the same village, the road to which was sealed off by local residents and people wearing the uniforms of Azerbaijani interior troops.

In addition to the driver who fled, there were three passengers in the car. After a search on January 10, corpses of two passengers with gunshot wounds were detected not far from the destroyed car.

They were pregnant woman Anzhela Grigoryan, 19, and her husband Lenig Kasparyan, 25. Search is in progress for the third passenger. A special communication car was subsequently fired upon in the same Azerbaijani village. State messenger Sergey Farmazyan was heavily wounded.

All these cases are under investigation.

Azerbaijani Journalist Killed

NC1001142291 Baku Domestic Service in Azeri 1700 GMT 9 Jan 91

[Excerpts] The name of journalist Salatyn Askerova, 29, a correspondent of MOLODEZH AZERBAIJANA, has been added to the names of the victims of the tragic incidents in the Nagorno-Karabakh Autonomous Oblast [NKAO]. An AZERINFORM correspondent has been informed by the Azerbaijan Soviet Socialist Republic [SSR] Ministry of Internal Affairs that Askerova was killed by automatic weapon fire during an ambush by armed Armenians in the Armenian town of Karadere in the NKAO on the six-km point of Lachin-Shusha highway on the morning of 9 January. Sergeant Ivan Ivanovich [name indistinct], Major Ivanov, and Lieutenant Colonel Illariovnov, who were assigned to the state of emergency rayon, were also killed when automatic weapons were fired at their vehicle, in which Askerova was traveling in accordance with the instructions [words indistinct].

The operative investigation groups of the USSR Ministry of Internal Affairs, the Azerbaijan SSR Ministry of Internal Affairs, and the KGB are carrying out an on-the-spot investigation. [passage omitted]

Peaceful life in Azerbaijan's border towns has once again been disrupted by attacks by armed Armenians. A criminal group of 15 men attacked a militia guard post near Kilis town in Ordubadskiy Rayon from Armenia's Megrinskiy Rayon at about 0100 on 7 January. The clash continued until [word indistinct]. The bandit attack was rebuffed and none of the town's residents was harmed. Aliyev, a militia [word indistinct], was wounded as the bandits were being repelled.

Militia workers halted two trucks loaded with straw at a checkpoint near (?Posdzha) town in Shushinskiy Rayon on 8 January. As the drivers' documents were being checked, fire was opened from (?one of the trucks). Eyvaz Guseynov, a militia worker, was wounded. One of the criminals was killed and another captured during the clash, and two other bandits escaped. Militia workers discovered three detonators when they searched the vehicles.

MVD Officer Reports Attacks on Troops in NKAO

LD1001184391 Moscow TASS International Service in Russian 1705 GMT 10 Jan 91

[Text] Moscow, 10 Jan (TASS)—The stabilization of the situation in the Nagorno-Karabakh Autonomous Oblast [NKAO] and the adjacent areas is not to the advantage of the extremists and nationalists of all colors. This is the opinion of Major General Anatoliy Kirilyuk, first deputy head of the Political Directorate of the internal services troops of the USSR Ministry of Internal Affairs [MVD].

The first days of the new year, the general reported in an interview with a TASS correspondent, were marked by active attacks and firing on outposts where MVD internal services troops are doing service. There have been cases of soldiers being beaten up. Among such acts was the base attack on a car traveling from Lachin to Shusha on 9 January. One of the four who died was Major Igor Ivanov, a staff officer from the MVD internal services troops. He only arrived in the area on 4 January and now grief has struck the family of the officer who was just over 30 years old. His wife Irina is now a widow, and his 10-year-old daughter Tatiana has lost her father.

Aleksandr Kirilyuk reported that the commandant of the state of emergency in the NKAO area and the adjacent areas of Azerbaijan made a radio appeal to the population not to try the patience and determination of the servicemen who are doing service in the territory of this region.

Transcaucasus Commander on 'Anti-Army Campaign'

LD1001210991 Moscow TASS International Service in Russian 1856 GMT 10 Jan 91

[By TASS correspondent Mikhail Zakharchuk]

[Excerpts] Tbilisi, 10 January (TASS)—The tense social and political situation in the Transcaucasian republics is negatively affecting the life and activities of military forces, thinks Colonel General Valeriy Patrikeyev, commander of Transcaucasus Military District troops, who gave an interview to a TASS correspondent today on the situation taking shape in his military district.

According to Valeriy Patrikeyev, thee are continuing attacks on military facilities in order to seize weapons. There is no end to attempts to capture facilities which serve social and everyday purposes and which belong to the military district. [passage omitted]

As one of the manifestations of the "anti-army campaign" he regards attempts made by the Georgian, Armenian, and Azerbaijani leadership to form their own national armies. In Patrikeyev's view, it is not likely that such formations will be able to insure reliable security for the republics, not to speak of the vast material expenses needed to create them and insure that they will be able to fight.

Touching on issues of the relations between the district commanders and the leaders of the Transcaucasian republics, the general noted that since new forces came to power in Georgia and Armenia, contacts with leaders of these republics have not declined. The dialogue with Azerbaijani leaders is also continuing. "It is another matter that we are not always satisfied with the results of these contacts. But they do exist," he stressed.

Georgian Leader Urges Cafeteria Shutdown

PM1001123991 Moscow IZVESTIYA in Russian
9 Jan 91 Union Edition p 2

[Report by Besik Urigashvili under the rubric "Direct Link": "Cooperatives in Jeopardy"]

[Text] Tbilisi—The Georgian Government could temporarily suspend the operations of cooperatives on the republic's territory. At any rate, this idea was aired in the New Year's television address by Zviad Gamsakhurdia, chairman of the republic Supreme Soviet.

He emphasized in his speech that this primarily concerns cooperatives working in the public catering sphere. In Gamsakhurdia's opinion, this action will help at least in some way to fill the empty store shelves with essential foods.

In an editorial commentary on this the independent newspaper SEM DNEY [Seven Days] points out: "We are puzzled. We do not understand how to tie in the principles of a free market economy proclaimed by parliament with the bureaucratic administration characteristic of the Soviet economic system."

Central Asia

Kazakh Group Gives Up 'Political' Activity

PM1001113191 Moscow IZVESTIYA in Russian
9 Jan 91 Union Edition p 4

[Report by POSTFAKTUM correspondent Ye. Savicheva under "In the Parties and Public Movements" rubric: "'Yedinstvo' Outside Politics"]

[Text] Alma-Ata—A sitting of Kazakhstan's "Yedinstvo" ["Unity"] interethnic movement coordinating council has announced its renunciation of political activity. According to the draft "Yedinstvo" programs under examination, the interethnic movement aims to attain civil peace in the republic. "Yedinstvo also favors giving Russian, along with Kazakh, state language status in the Kazakh Soviet Socialist Republic and attaining the speediest transition to a market economy. The "Yedinstvo" interethnic movement, the draft documents note, backs the "Soyuz" deputies group and the "Democratic Kazakhstan" parliamentary faction within the republic's Supreme Soviet.

Tajik Party Takes Over Government Papers

PM1001114191 Moscow PRAVDA in Russian
8 Jan 91 First Edition p 6

[Report by correspondent L. Makhkamov under the "Ticker Tape" rubric: "Government Without Newspaper"]

[Text] The first issue of the new republic newspaper SADOI MARDUM [Voice of the People], publication of the Tajik SSR [Soviet Socialist Republic] Supreme Soviet, has come out. It is published in the Tajik language. In this connection three republic newspapers—in the Tajik, Russian, and Uzbek languages—previously published as organs of the republic Communist Party Central Committee and the Tajik SSR Supreme Soviet and Council of Ministers have now become purely party publications. The government has thus found itself without its own press organ as a result of this demarcation.

Turkmen Supreme Soviet Discusses Market Economy

LD0901094391 Moscow Central Television First Program Network in Russian 1530 GMT 8 Jan 91

[Report by correspondent G. Babayev on the opening of the Turkmenian Supreme Soviet session in Ashkhbad on 8 January; from the "Vremya" newscast]

[Text] Submitted for debate were bills on the budget, taxes, amnesty, local self-government, the press, and even AIDS prevention. A draft was proposed on restoration of Balkanskaya Oblast, part of the Turkmen Soviet Socialist Republic. It is not a question of any new territorial formation, but just the restoration of the status of the former Krasnovodsk Oblast, on whose expanses you could fit, say, Estonia and Moldavia. The new name, Balkan, is from the mountain ridge reaching to the Caspian. Incidentally, the oblast center is transferred from Krasnovodsk to Bebit-Dag.

But the main thing at the sesssion is debate on the program for the republic's transition to the market economy. Prime Minister Akhmedov spoke on this question. You cannot go to market without your purse, as they say, and the republic must seek reserves for replenishing its budget, the deficit for which amounts to over 2 billion rubles.

The most important thing is to think about daily bread. The situation in supplying the population with flour and bread products is not stable, as a result of the reduction in supplies to the republic of flour and grain from regions of the country from which it had largely satisfied its requirements. It has been decided in the republic to revive the production of grain for food and forage, and to sell cotton at a worthwhile price. Monocrop acreages will be considerably reduced.

Market Program Adopted

PM1001164591 Moscow IZVESTIYA in Russian 10 Jan 91 Union Edition p 1

[Unattributed report: "Program Adopted for Turkmenia's Transition to Market"]

[Text] The new session of the Turkmen Supreme Soviet has mapped out the republic's transition to a market economy. Presenting the program for the transition to the market, Turkmen Prime Minister Khan Akhmedov named its basic principles: Rigorous economies in the development of Group A production and capital construction and most-favored status for small, cooperative, and joint-stock enterprises.

The republic State Bank will conduct an independent credit and monetary policy, issuing its own securities. The republic will keep its own eye on prices, relaxing control gradually and paying compensation to the worst-off social groups. The plan is that the compensation funds will come from destatization of the republic's assets. The Turkmen version of privatization involves the sale of enterprises into joint-stock ownership and housing into private ownership. Increased revenue is expected from active foreign and interrepublic trade in Turkmenistan's rich raw material resources, which, it is expected, should not affect the republic's fulfillment of general union pledges.

Uzbek Authorities Discuss Conscription 'Slip Ups'

LD1101033191 Moscow Domestic Service in Russian 2230 GMT 10 Jan 91

[Text] Problems of the implementation of the USSR law on universal conscription were discussed at the coordination conference of leaders of the law enforcement bodies of the Uzbek SSR [Soviet Socialist Republic] which took place in Tashkent. Representatives of the military procurator's office of the Turkistan military district and military commissariats of the republics were also present at the conference. Slip ups in the carrying out of this law were noted at the conference. The number of conscripts who have illnesses limiting their ability to do military service is growing. There are many insufficiencies in youth's upbringing. Conference participants drew up measures which ought to be undertaken to eliminate reasons causing the violation of the USSR law on universal conscription. Procurators of towns and rayons were urged to work together with military procurators and to establish strict control over the execution of that part of legislation which regulates the draft.

Uzbek Parliament To Examine Entrepreneur Bill

LD0901163291 Moscow TASS in English 1142 GMT 9 Jan 91

[By TASS correspondent Vladimir Pruger]

[Text] Tashkent January 9 TASS—Any citizen of the USSR and Uzbekistan will be able to set up his own business on the territory of the Soviet central Asian republic under an entrepreneurship bill published today in Uzbekistan. The law gives the same right to groups of people wishing to set up their own firms as well as foreigners.

Under the new law, entrepreneurs will be able to hire and fire employees Private enterprises will be able to maintain branches and offices not only in Uzbekistan but elsewhere in the USSR and abroad. The entrepreneur will have full authority over income after the payment of taxes. His personal income is not restricted. The bill strictly regulates the relationship between entrepreneurs and the state.

Authors of the bill tried to exclude any possibility of diktat by authorities with regard to private firms and overt administration.

A special article determines the foreign economic aspects of entrepreneurship. It says that the entrepreneur can independendly deal with foreign partners in accordance with the legislation of the USSR and Uzbekistan. The law forbids authorities from snatching the foreign currency earnings of an entrepreneur.

Special clauses lay down the procedure for levying taxes on private firms. Financial authorities of the republic are to exercise control over them.

The bill will be submitted to the Uzbek parliament after it is discussed and amendments are introduced.

Contaminated Flour Sold in Uzbekistan

PM1001101591 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Jan 91 p 2

[INTERFAX report: "Did You Hear? Did You Read?"]

[Text] Flour which has been sold to the people in Naabakhorskiy Rayon, Uzbekistan, could apparently kill. It has been established that 313 sacks of this product, containing toxic chemicals, has been sold through the trade network.

Some of the flour has now been returned.